NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

Royal Oak, Michigan | July 11, 1938 | Three Dollars Per Year | 10¢

WILLIAM E. BORAH ON NO FOREIGN ENTANGLEMENTS

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A. Simon, O.M.I.

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CHRISTIAN FRONT CONTEST

VOL. 2A NO. 2

THE FIRST LADY LIKES *PINK*

AN ARDENT exponent of the new "liberalism" which the President has made the keynote of party policy, is the First Lady of the Land. In public speeches and magazine articles she has conveyed to the public the idea that the presidency is a partnership.

The traditional First Lady of an older day—queening it over a White House reception line, and a quiet housewife whose hobby for flowers and apparel hues set a fashion cult—is gone in this streamlined age.

True, we do not elect a First Lady but, inescapably, the Presidency is a family. In the case of the Roosevelts it is a dynasty, no less, of which the President's wife is a member in her own right. Besides her White House duties, Eleanor Roosevelt finds time to retain her interest in teaching girls, and a wide range of women's activities, to which her name and station give an influence far beyond their importance.

Writing on broken homes, Mrs. Roosevelt opposes divorce in principle, but makes liberal exception to the stricter ideals. The divorces in her own household bear out her theories. Her "liberal" views on birth control have been equally shared. (See Page 3).

Skirting within the strict letter of the law which forbids encroachment upon her husband's office, the First Lady maintains what she calls a modern woman's interest in politics. This, according to the Washington observers, is a mighty effective interest. The Resettlement Administration and the National Youth Administration both are pet projects of Mrs. Roosevelt, whose favorite color is pink. Her espousal of leftist liberals in both activities continually invites criticism from those who do not share the First Lady's color preference.

Social Justice

JULY 11, 1938

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COVER

The First Lady

SOCIAL JUSTICE, National Weekly, Copyrighted 1938, by The Social Justice Publishing Corporation; publication and editorial office, Royal Oak, Michigan. Subscription price, United States and possessions, $3.00 per year. Unless otherwise directed all subscriptions begin with the current issue. Three weeks is required to effect change of subscriber's address. Give both old and new addresses. Entered as second class matter, March 12, 1937, at the Post Office, Royal Oak, Michigan, under the Act of March 3, 1879. Rev. Charles E. Coughlin, LL. D., Editorial Counsel (by permission of his Ecclesiastical Superior); E. Perrin Schwartz, Editor.

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Vol. 2A No. 2

Schedule of Shrine Tours

DEDICATION DAYS

JULY 10—Western New York, Buffalo, Syracuse, Rochester, Troy, Albany, Eastern Pennsylvania, Pittsburgh, Altoona, Erie.

JULY 17—Chicago, Illinois, Kansas, Iowa, Columbus.

JULY 24—Indiana.

JULY 31—Cleveland, Akron, Missouri.

AUGUST 7—Cincinnati, Southern Ohio, Kentucky, Dayton.

AUGUST 14—Toledo, Piqua, Sidney, Lima, Troy, Ohio.

AUGUST 21—Michigan, Wisconsin, Minnesota.

SEPTEMBER 3-4-5—National Day—for all.

LABOR DAY CRUISE

ARRANGEMENTS have now been completed to bring hundreds of vacationists from New York, Brooklyn, Long Island, New Jersey and Connecticut on a banner week-end cruise to Detroit and Royal Oak for a visit to the Shrine of the Little Flower, to which will also be included Niagara Falls.

The tour will leave New York on Friday night, September 2nd, on the Erie Railroad, concluding on Monday evening, at 7:25 P. M., September 5th.

National Day at the Shrine, Sunday, September 4th, will be a special occasion. Solemn High Mass at 10 o'clock, with Father Coughlin welcoming the visitors and delivering the sermon.

After luncheon a visit to the Reliquary where one may behold the charred oak beams and the statue of the Little Flower which were saved from the famous old Shrine.

At 3 P. M. a special address to visitors by Father Coughlin, and the subject will dwell on labor.

This is one of the original and most attractive trips to be had anywhere at the price offered over this holiday week-end, and the S. S. Greater Detroit which will carry the party across beautiful Lake Erie is one of the largest afloat on the inland waterways, and will accommodate 1,000 people comfortably.

Plan now to be one of the happy crowd of New Yorkers to make this Labor Day week-end trip which will be a real vacation.

Tell your friends and make your reservations now—write, phone or wire:

BRYAN B. O'ROURKE
1807 Westchester Ave.
Bronx, N. Y.
Westchester
7-1731 or 7-1371

J. F. WILD, G.A.P.D.
Erie Railroad,
Rockefeller Center,
New York City
Circle 5-7222

MINNEAPOLIS and ST. PAUL, MINN.

August 21, 1938

Leaving Minneapolis, Saturday, August 20 at 12:30

Returning Monday evening, August 22

ROUND TRIP FARE

$22.30

(Based on twenty-five persons or more)

For more information contact:

MR. J. J. BURNS
700 Marquette Ave.,
Minneapolis, Minnesota

CHICAGO AND ILLINOIS DAY

July 17, 1938

Special Tour

ROUND TRIP · $10.60 · LOW FARE

Includes breakfast at Hotel.

Transportation from station to Hotel.

Sightseeing in Detroit and Royal Oak and return to station.

For more information apply to:

Michigan Central Railroad, Chicago, Illinois

Phone Wabash 8700

E. S. KELLEY, Tour Mgr.
2221 Berwyn Avenue
Edgewater 2850
Chicago

Downtown
T. F. SAUTER
176 W. Adams Street
Dearborn 3722
Chicago

South Side
MRS. CLAUDIA KER
6034 S. Bishop Street
Prospect 1813
Chicago

West Side
MARY KING LOVELAND
108 N. Parkside Ave.
Esterbrook 2770
Chicago

COLUMBUS DAY AND VICINITY

July 17, 1938

$3.50

Round-trip Rail Fare Columbus to Detroit
(One-half Railroad Fare for Children)

Bus Fare — Round-trip — Detroit to Royal Oak, 75c
(Adults and Children)

Chesapeake & Ohio City Ticket Office
18 S. Third Street,
Columbus, Ohio

WISCONSIN AND MINNESOTA DAY

August 22, 1938

Mr. Joseph A. Halaska, 917½ Green Bay St., La Crosse, Wisconsin is conducting a tour for the people of Wisconsin and Minnesota. A few more persons are needed for this trip in order to receive the special rates that the railroads care to offer for group selling.

This tour will include Minneapolis and St. Paul, Minnesota and Milwaukee, Racine and Madison, Wisconsin. For more information, kindly use the coupon.

Joseph A. Halaska,
917½ Green Bay St.,
La Crosse, Wis.

Kindly send me information in regard to your tour to the Shrine of the Little Flower in Royal Oak, Michigan. This request does not oblige me in any way.

Name .....

Address .....

City ..... State .....

ST. LOUIS, MISSOURI, GRANITE CITY, EDWARDSVILLE, LITCHFIELD, DECATUR AND DANVILLE, ILLINOIS

Tour to the Shrine of the Little Flower
July 30-31

Round Trip $10.00

(Based on 300 or more)

For more information contact:

Wm. J. Bley, 5023-a Devonshire Ave., or Joseph De Moor, 2739 Gravois Ave., or H. Miller, 2335 Whittemore St., St. Louis, Missouri.

SOUTHERN OHIO AND CINCINNATI DAY (Middletown, Dayton, Springfield)

Shrine of the Little Flower
August 7, 1938

SPECIAL TOUR

Cincinnati	$5.75
Middletown	5.25
Dayton	5.00
Springfield	5.00

New York Central System

THE CONGRESSIONAL FORUM

is sponsoring a

PILGRIMAGE and EXCURSION

by BUS to

SHRINE OF THE LITTLE FLOWER
ROYAL OAK, MICHIGAN

Conducted by
Mr. J. B. Cunningham

CHICAGO and ILLINOIS DAY
Sunday, July 17th

$10.00 ROUND TRIP

Consisting of two meals Saturday, lodging at the Hotel Tuller, Detroit, four in a room, two persons in a room 50 cents a person additional, two meals Sunday and a lunch on the road home.

Leaving Chicago Saturday, July 16th, at 8:00 A. M. from Congress Street at Michigan Avenue stopping at 63rd and Stony Island Avenue and 79th and Stony Island Avenue arriving back in Chicago about Midnight Sunday, July 17th, 1938.

A deposit of $5.00 is requested.

For reservation and information see

MRS. W. C. GARRETT
6409 S. Paulina Street
Chicago, Illinois
Tel. Republic 1303

J. B. CUNNINGHAM
6556 Sangamon Street
Chicago, Illinois
Tel. Englewood 2571

MILADY TALKS —TOO MUCH

The Presidency of the United States Is Not a Partnership. The Talkativeness of the First Lady, as Well as the Burden of Her Public Utterances, Present an Unpopular "New Deal" in White House Tradition.

by
Edward Lodge Curran, Ph. D.

WIDE WORLD

ONE of the beauties of living in a democracy is the right to criticize the personnel as well as the policies of government. It is a healthy right, both for critic and for criticized. It is sometimes the only protection which the citizen has against the democrats who direct his destinies.

All men in power are vulnerable as far as personal glorification and personal expansion are concerned. In the midst of political flattery they are apt to acquire a Messiah look within their eyes. Their control of patronage is, too often, apt to push them towards concentration of power. This is true of democrats as well as of dictators. The true democrat will be grateful for criticism. He will realize that healthy criticism is the only serum that can vaccinate him against the symptoms and substance of infectious dictatorship.

If it be just and proper at all times to criticize the words and deeds and omissions of elected public officials in the United States, it is far more so when unofficial personalities give utterance to statements that are liable to influence our national thinking. Friends of the President—*and especially members of his own family*—should be circumspect in their language at all times. Unthinking hero worshipers are prone to endow such statements with the quality of infallibility. What comes out of the White House may be considered too often a Gospel message. The golden rule of silence should be voluntarily assumed by every member of the President's domestic household and particularly by his wife.

Up to very recently in the history of our country, every First Lady of the Land has preferred to be seen and not heard. To be a comfort to her husband in the arduous duties of the presidency, to act as hostess at White House official functions and to accompany him in the fulfillment of public social engagements, is a trinity of duties whose performance is most dignified and most valuable.

The American people elect the President of the United States. They do not elect his wife. They honor her, quite properly, as the First Lady of the Land. They are not interested in her attitude towards national or international politics. They do not look upon her as the official mouthpiece of the administration, nor do they like her to assume any such responsibility. In the common sense opinion of all American citizens, the First Lady should neither do nor say anything that may bring embarrassment to her husband. She should be wary of statements that insult or annoy the political or racial or religious attitudes of any group in the American nation.

It is in this spirit that we criticize some recent statements of Mrs. Eleanor Roosevelt. We feel that the dignity of the White House would have been heightened if Mrs. Roosevelt had chosen to follow in the footsteps of Mrs. Wilson, Mrs. Coolidge and Mrs. Hoover. We do not like the spectacle of the First Lady flying around the country, either in airplanes or riding costume, and pouring forth her opinions on various subjects, opinions incidentally which no one would record if she were not the wife of the President. We do not like the spectacle of the First Lady earning $75,000 a year through her broadcasting engagements even if she does give the amount to charity. Nor do we like the news that the President himself has sold the records of his newspaper conferences for a similar sum. In both instances the President and his wife are commercializing their occupancy of the White House. Legally, both the President and his wife are beyond reproach. There are traditional White House qualities and White House attitudes, however, which the American nation has always prized. There was no need of a New Deal in these circumstances. There was certainly no necessity for a Noisy Deal. For the past five years we have wished that the President's wife had not talked so much.

No one disputes the fact that the President's wife has a mind of her own and, therefore, a right to her own opinions on any subject. She possesses this right in common with the lowliest and most unknown housewife throughout the country. We do insist that among the sacrifices which the President's wife should have made and still should make is the sacrifice of silence. On too many occasions her broadcast or printed opinions have hurt her husband and annoyed many groups within the framework of our American nation.

Her recent Easter bombardment was particularly resentful. We take our account of her Easter statements in the press because it was to the press that she herself gave them. "She ranged," so one account in the *Daily News* revealed, "from the proposed embargo on babies, through the sex education of children, touched on the motion picture, 'The Birth of a Baby,' the futility of court presentations of American debutantes and the 'dictatorship' talk about her husband."

We noted, with regret, the absence of a single religious or spiritual theme in her Easter offering. Since this country was founded upon belief in God and His providence, upon devotion to fundamental morality and upon religious freedom, it is not odd to have hoped that some religious or spiritual thoughts might have found their way into the Easter newspaper conference of the First Lady of the Land. Since Easter is the commemoration of Christ's resurrection from the dead, from which all Christian civilization takes its rise, the First Lady might have had something to say about the necessity of returning to Christ and accepting His message and following in His footsteps.

Instead, we found the First Lady of the Land espousing the cause of birth control, a violation of the natural law and not merely the subject of ecclesiastical prohibition. To tell women not to have children is birth control no matter what motive is behind the advice. There is no doubt about Mrs. Roosevelt's meaning. "It is perfectly stupid," she said, "for women to go on having babies just to see them killed." Then, commenting on the Barcelona bombings, she is reported as having said: "Why the women in every nation do not rise up and refuse to bring children into this kind of a world is beyond my understanding." In these clear statements the First Lady puts herself definitely and quite dramatically on the side of birth control.

The First Lady evidently cares nothing for the attitude of the Catholic Church which has raised its voice clearly and courageously against the unnatural vice. The First Lady has insulted millions of Christian men and women throughout this country who are loyal to the teachings of their God and their Church and who believe that the birth of children is the first and finest flower of matrimony. The First Lady has offended millions of sincere Protestants and Jews who join the Catholic Church in condemnation of birth control as a sin against the laws of nature and nature's God, as a pandering to passion and a cowardly renunciation of marital duty.

Birth control is wrong at all times and in all instances. That is what we mean when we say that birth control is a violation of the natural law and an abuse of natural functions. It makes no difference what motive is alleged. If Mrs. Roosevelt's adoption of birth control is based on economic reasons, then we suggest that she urge her husband and his Congress to inaugurate social justice and economic security in the United States. Incidentally, Mrs. Roosevelt made no outcry against the horror of lives lost some twenty years ago, when her husband, as Assistant Secretary of the Navy and as part of the executive branch of Woodrow Wilson's administration, was helping quite definitely and materially in the process of sending American soldiers abroad for the purpose of world slaughter.

Mrs. Roosevelt's lamentations over the Barcelona bombings, like Secretary Cordell Hull's, is a bit too late to impress her audience with her own sincerity. During 1936 and 1937, when the bombers of the Red Loyalists in Spain rained death and destruction upon open towns and upon innocent civilians, Mrs. Roosevelt, like Secretary Hull, was strangely silent.

Mrs. Roosevelt's suggestion of birth control is unethical. Her motive is biased and foolish. Her newspaper release is offensive.

Nor can we release Mrs. Roosevelt from censure in the matter of her comments about the motion picture, "The Birth of a Baby." Talkative people are always plunging into trouble. This was one subject from which we would have thought the First Lady would have escaped. The whole nation has been aroused by the immodest, suggestive, indecent and positively revolting still-life pictures of a baby's birth as presented in the recent issue of the magazine *"Life."* All over the country boycotts, against the appearance of this magazine on the newsstands and against all advertisers who use the pages of this magazine to herald their wares, have arisen.

Sex education is intimate education. It should, therefore, be transmitted in an intimate and sacred way: between mother and daughter, between father and son, between minister and penitent or in any other of the old fashioned American ways which were used in days when sex crimes and sex gratification were not exploited in the public press or on public billboards. Even Mrs. Roosevelt praised the old fashioned American way of acquiring the facts of life at home on American farms.

Why, in the midst of all the agitation about the disgusting still-life pictures in the pages of *"Life,"* did Mrs. Roosevelt have to praise the motion picture and declare that she had asked Miss Katherine Lenroot, chief of the United States Children's Bureau, to let her see the picture at the White House. Even the White House protested against this urge of Mrs. Roosevelt, for subsequently the First Lady announced that the showing had been cancelled. She gave no reasons. She could have given a dozen. We congratulate the White House for remaining white.

We believe that the First Lady should whitewash the past by recapturing the dignity she has lost and renouncing the talkativeness which has harmed herself, her husband and the entire administration.

Speech is silver but silence is golden. We believe that the First Lady of the Land should return to the gold standard.

The WAY OUT

by HILAIRE BELLOC

The Enslavement of Men to the State Under the Social Security Palliatives in a Planned Economy Is as Bad as Communism.

SECURED CAPITALISM

INDUSTRIAL Capitalism is the product of two things acting together: one good, one evil. The good thing is political freedom: the bad thing is destitution, that is lack of property in the masses.

Political freedom pre-supposes that all citizens are equal and free to choose and order their own lives. Therefore they can only be bound to render services by contract. There is no slavery. Destitution affecting the greater part of citizens—that is a state of society in which most citizens own nothing—leaves the mass of families at the mercy of the minority who own capital: that is, the food, clothing, housing, etc. whereby alone man can live. The destitute man is legally bound by his contract to the capitalist for whom he has engaged to work for a wage. He is free not to work for such a master; but it is only freedom to starve. Moreover, the minority who own are under no compulsion to employ the majority who are destitute. There follow on this combination of freedom and destitution the very evil consequences of Industrial Capitalism, which have become intolerable and which threaten to upset all our civilization.

We saw that an obvious immediate remedy for such evils was Communism; for Communism proposed to get rid of insecurity and insufficiency—the intolerable conditions attaching to Industrial Capitalism. But it only does so at the expense of destroying freedom. It makes all men slaves to the officials of the State. It is inhuman and a remedy worse than the disease.

Now there is another remedy which has not only been suggested but put into practice, it has already taken deep root in Europe, particularly in the industrial parts of Europe, and especially in England. This other remedy may be called *"Secured Capitalism."* Its object is a society in which the existing minority of owners who now control the mass of destitute men shall continue to control them and make a profit out of their labor, *but to do so securely*, without fear of revolt from the destitute. The danger of such revolt lies in the insecurity of livelihood among all the destitute and the insufficient income of most of them. To remove these causes of unrest the destitute man is guaranteed subsistence by the State in sickness and a minimum pittance to support him in old age. At the same time the destitute citizen, the wage earner without property and therefore without economic freedom, is securely bound to the capitalistic machine. He is listed, his movements are known and traced, he is controlled by the State for the benefit of the capitalist scheme.

This system is ushered in and sustained by a number of new institutions with which people are getting more and more familiar, "compulsory arbitration," "compulsory insurance against unemployment and sickness," "old age pensions," and so on. These are called in England by the general term "social services," and in them lies the greatest danger of the present moment, for they avoid sudden change, they fit in with existing capitalist society and they do not openly challenge freedom. But as they become fixed habits *they lead to the re-establishment of servitude*, and they are the more likely to reach that bad conclusion at last from the fact that their effect is veiled under phrases which conceal their ultimate action.

The wage earner out of work is kept alive by state officials spending state money on him. They must keep complete control over him lest he should be taking advantage of the system. If he is earning a little money "on the side" this money must be counted against the minimum relief to which he is entitled. If he earns just enough to keep body and soul together he is entitled to no relief, and a close watch must be kept on his chance receipts to make certain that he has no claim on public money.

Again: in order to make the system work it is necessary to divide citizens into two classes: those who earn or possess more than a certain weekly amount and those who earn less. This has already been done in England. To obtain payment during unemployment through compulsory insurance, he must carry a card telling the officials all about him and when and how he was employed, and at what rate. The same goes for his claim to sick benefit. So with old age pensions, a person over sixty-five for instance, will be paid so much a week by State officials *if he is earning nothing on his own.* Whatever little he might earn as a free man, or might possess, is immediately counted against his pension. His affairs must, therefore, be under perpetual investigation and control.

If he saves anything the amount he has saved will count against any claim to relief. If he has saved enough to buy a little property, such as the house he lives in, the rental value of that house will count against him in the same way.

When the whole scheme is working fully and covering all the propertyless wage earners of a large industrial society, that society is completely controlled by officials whose activities make secure the capitalist system. When such a state of affairs has gone on for a lifetime and men have come to take it for granted, not only the incentive to accumulate small property but the possibility of doing so will have disappeared.

Moreover the power to refuse relief soon involves the power to dictate what work a man shall do. A man will have to take, on compulsion, any work offered him through the officials, or ordered by them.

The whole thing makes for slavery in the long run, as much as Communism does. But whereas Communism is known for the evil thing it is and can be met by direct attack, arrangements for securing capitalism in this new fashion insinuate themselves gradually and establish themselves, as it were, by a trick. Secured Capitalism such as we now have universally in England, and such as is being clamored for by many reformers all over the industrial world, is death to any hope of restoring property to the mass of families—without which restoration human dignity in general and economic freedom are impossible.

Here will be asked "But are not such relief payments necessary under present conditions? We cannot allow men to starve. We must provide the destitute against sickness, unemployment and old age."

Yes: these various schemes are palliatives against intolerable immediate evils, *but they are only palliatives.* They are necessary because you are dealing with destitute men. When the masses own the instruments with which they work and the things that keep them alive such palliatives will not be necessary. For when we restore property and with it the independence of the family and of the individual, the chief evils of Capitalism will have disappeared. But if we build up the State on such palliatives we destroy our chance of restoring property. They cease to be palliatives, they become inevitable universal social functions. They destroy freedom altogether and re-introduce servitude.

Use palliatives by all means; in fact you *must* use them unless you are to take refuge in Communism; but get rid of them as soon as possible, and substitute for them well-divided property so that man shall be free. There are cases of physical failure where you must, perhaps, give a large dose of spirit to save a man's life, but make a habit of it and you will ruin him.

AN ANSWER TO MESSRS. VANDENBERG AND ECCLES

THE Federal Reserve Board rejects "inflation." Jay G. Hayden is the Washington correspondent for *The Detroit News*. In an old story, dated June 17th, dealing with an old subject, he says:

"Michigan, due in part to the speeches of Fr. Charles E. Coughlin, has been a particular hotbed of currency agitation. Especially, members of Congress from the state have been bombarded with the assertion that Congress has abdicated its power to 'coin money' with a result of enriching bankers at expense of the poor and generally adding to depression.

"Senator Vandenberg wrote Eccles, stating this situation. He said he thought he knew the answer to the arguments advanced by the inflationists in a general way, but that he never had seen any formal statement on the subject from any official source. He urged the Federal Reserve Board to prepare such a statement."

As a result of hundreds of thousands of letters from Michigan and elsewhere from believers in social justice, Marriner Eccles, chairman of the Federal Reserve Board, answered Senator Vandenberg's plea.

Eccles said in part:

"You state that in your part of the country there is agitation to abolish the Federal Reserve system and to substitute greenbacks for bonds."

Mr Vandenberg, who gave that information to Mr. Eccles, is laboring under a serious misapprehension, if, indirectly, he attributes this agitation of greenbackism to the followers of social justice.

At no time have either my followers or I advocated currency inflation, which is tantamount to greenbackism. On the contrary, we have been vocal in condemning bond inflation, or fountain pen inflation, which has been supported consistently by Senator Vandenberg and the gentlemen of his school.

Thus, in the quotation attributed to Mr. Eccles, I see nothing more than an effort on the part of the defenders of the private issuance and control of money to set up a dummy and knock it down for the edification of the gullible public.

Permit me to ask both the reactionary Senator from Michigan, whom the followers of social justice cannot support under any circumstances, and also the misinformed Governor of the Federal Reserve Board, a pertinent question: Since you admit that there is a plentitude of money and credit in the nation, where did it originate?

Answer: Since gold is not money and since the gold certificates held by the Federal Reserve Banks are nothing more than ghost money insofar as they cannot be redeemed in gold, the $5-billion of currency was issued by the Federal Reserve Bank.

As for the plenitude of credit money, you are aware, Mr. Vandenberg and Mr. Eccles, that this, in part, is a fiction with which you and your class entertain a deceived public.

HERE is the truth of your Aesop's fable of credit money: One of the largest banks in your state, Senator Vandenberg, has approximately $400-million on deposit. This represents money which the people of Michigan placed in the bank for safekeeping. Now it happens that of this vast amount of money not much more than $50-million has been extended in credit loans—$20-million of it in commercial loans and $30-million in brokers' loans. This leaves approximately $350-million idle because enterprising manufacturers, merchants and builders will not rent that money for the simple reason that the vast majority of the people lack purchasing power and could not buy the products of a factory or a store, thus leaving the industrialist or the merchant in the position of borrowing money upon which he could make no profit.

More than that, sir, there is another source of credit money which the Federal Government has supplied in superabundance to the detriment of the nation. I refer to the $31-billion which the New Deal administration has borrowed from the Federal Reserve Banks.

Since you are an honest gentleman and will tell the truth when pressed for an answer, you will admit, and dare not deny, that this type of money which both you and Mr. Eccles defend is nothing more than fountain pen money. You will admit that the Federal Reserve Banks issued ten and twenty and thirty times more of this credit money into the stream of circulation than their assets warranted. If the Federal Reserve Bank had a million dollars it loaned ten million.

I am not questioning the honesty of the Federal Reserve Banks' charging interest on the million dollars it loaned when it had a million actual dollars to loan. I am calling into question the honesty and morality of the Federal Reserve Banks' collecting interest on $9-million which it never had and which it pretended to loan.

By calling this into question I am not an inflationist nor are the followers of social justice inflationists. On the contrary, you are the inflationists, credit inflationists, reaping where you did not sow, telling the people of this nation to redeem the fountain pen bonds and the fountain pen interest which your Federal Reserve Banks issued.

MR. JAY HAYDEN, in reporting your message to the public, says:

"Specifically answering *the demand that the Government cease issuing interest-bearing bonds and pay its bills with paper currency, Eccles said . . .*"

Who has demanded that you pay your bills with paper currency? Certainly not the followers of social justice. It is true that they have demanded that you cease borrowing money from Federal Reserve Banks that have no money to lend. It is true that we demand that Congress issue and regulate money independent of the Federal Reserve Banks. It is true that we have fought and will continue to fight against the 2¾ per cent interest which you and your kind advocate paying to the Federal Reserve Banks for their efficiency in penmanship. It is true that we ask the Government to issue its own bonds against the wealth of the country instead of against the fictitious wealth of the Federal Reserve Banks. It is true that the billion dollars a year interest which we are paying to these banks is opposed by us and that this billion dollars per year, according to our philosophy, should be eliminated from the system of taxation.

Let us not make false accusations, Mr. Vandenberg and Mr. Eccles.

The money system which you are defending lies prostrate on your doorsteps. No one needs to defame it because it has defamed itself. No one needs to criticize it because a million facts surrounding us have painted it with poverty, hunger, nakedness and depression.

No one needs to attribute our headaches and heartaches to a lack of plenty when everyone recognizes that your Federal Reserve Banks have been responsible for keeping a lack of purchasing power from the nation at large and preventing industrialists paying honest wages to honest workers.

Gentlemen, who has been regulating the money of this nation since 1931? The Federal Reserve Banks are guilty of issuing into and withdrawing from the stream of circulation billions of dollars with the result that this private corporation was responsible for enabling the controllers of money to confiscate property.

You especially, Mr. Eccles, are Chairman of the Board of the Federal Reserve. You are the Government agent chiefly responsible for keeping this private corporation from infringing upon the rights of the public. You and your board have failed miserably as the events of the past five years prove. In brief, you have been responsible for credit inflation. You have been responsible for the issuance of billions of dollars of fountain pen bonds. You have been responsible for keeping want in the midst of plenty. You are indicted before the American public as a servant who has defended the old system of finance which once wrecked America and is now keeping it in the ditch of depression.

More than that, you say:

"The Government represents all of the people. Its debts are the debts of all of the people. When we as people borrow money we are borrowing from ourselves, and when we pay interest on or pay back the principal of the debt thus created, we are paying ourselves."

That is fine theory, Mr. Eccles, but the sordid fact is that even those poor devils on the dole are paying back to the Government more than one out of every two and one-half dollars they receive through taxation and the Government pays it to the bondholders who represent a very small percentage of our 130-million people.

You mean to say that the people are paying it back to some of the people—to the privileged few.

Why not be honest and admit that 120-million of our population have no bonds and, consequently, have no interest being returned to them. Instead, they are slaving at less than living wages, or wielding one of your Government W.P.A. picks for the benefit of the men who sit in a mahogany furnished office wielding a fountain pen as they create money, create debts, create taxes and create confiscation for the benefit of those who are defending credit inflation and the private right to issue and control money.

Moreover, Messrs. Eccles and Vandenberg, you say:

"What is to be gained by doing away with this established process? If the Government is not to pay interest, then it can no longer borrow from its citizens."

What kind of logic are you here employing? Your logic employed in the above sentence is similar to the statement: "If the color is not pink, then it is green."

Oh no, there is no possibility for the color being white or red or blue.

Certainly the Government can borrow money against the wealth of the nation without charging the exorbitant interest which represents the cut, or the profit, obtained by the Federal Reserve Banks for performing their function of penmanship or bookkeeping.

You say:

"The Government would have to fall back upon issuing currency."

That is not true. The Government could still issue bonds at one-tenth of one per cent interest, the mere Government bookkeeping charge, instead of at two and seventh-eighths per cent interest which represents both the bookkeeping charge of the Government and the profits of the private issuers of money.

Your whole anxiety is over the point of who would buy these low interest bonds. In other words, your anxiety is identified with the profit system to be gained by reaping where one does not sow.

Would it not be more profitable for investors to buy these one and one-tenth per cent bonds than to invest their money in General Motors at 50 only to see it fall to 27, or in Chrysler at 125 only to see it fall to 30?

No one wants to flood this country with currency inflation. You who charge this against us are either misinformed or else misconstrue our basic demand which is related to wiping out the Federal Reserve Banking System with its right to coin and issue

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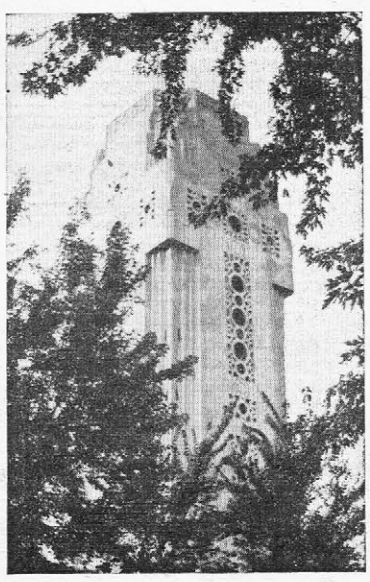


FROM THE TOWER

NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

Rev. Chas. E. Coughlin, LL.D.
EDITORIAL COUNSEL
(By Permission of His Superior)

Published by The Social Justice Publishing Co.

16 PRINCIPLES OF SOCIAL JUSTICE

1. Liberty of conscience and education.
2. Just, living, annual wage.
3. Nationalization of important public resources.
4. Private ownership of all other property.
5. Control of private property for public good.
6. Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.
7. Restoration to Congress of its sole right to coin and regulate the value of money.
8. Cost of living maintained on an even keel.
9. Cost of production plus a fair profit for the farmer.
10. Labor's right to organize.
11. Recall of non-productive bonds.
12. Abolition of tax-exempt bonds.
13. Broadened base of taxation on basis of ownership and capacity to pay.
14. Simplification of government and lower taxes.
15. Conscription of wealth as well as men in event of war.
16. Sanctity of human rights preferred to sanctity of property with government's chief concern for the poor.

A Five Year Plan.

DR. PAUL GOURRICH, chief economist of the Security and Exchange Commission, recently placed a remarkable memorandum on the President's desk. It suggests that the Government underwrite a 50 per cent increase in steel, automobiles and building material production.

The trend of the market indicates that the suggestion is being followed as SOCIAL JUSTICE indicated three weeks ago when it disclosed the Government's intention of raising the price of the gold ounce.

Dr. Gourrich is a high authority, a recognized expert on railroads. Formerly he was employed as the Kuhn-Loeb Company's economist. His proposal means two things. First, the New Deal brain trusters are increasingly despairing of recovery. Second, they are unanimous in recognizing the spending-lending program of fountain pen money as a mere stop-gap and are therefore casting about for new approaches to the economic problem.

Gourrich plans a Government corporation to underwrite production with $200-million of preferred stock and 50 per cent of the common stock subscribed by the United States Treasury. He suggests that the remaining 50 per cent of the common stock should be taken up by the steel masters, motor manufacturers and builders, together with the investing public and that this be paid with a sort of tax of 25 per cent of their profits on the additional goods turned out.

This 25 per cent tax emanating from the former Kuhn-Loeb economist may be a tip-off to all stockholders in the United States. While stocks are rising rapidly in price, perchance at a later date the Government will demand a 25 per cent profit of all gains made in the rise beginning June 1, 1938.

Let the investing public be not deceived. The profit eggs now being laid by the golden goose are not solid gold. They are only gold plated. Nothing that ever came out of the Kuhn-Loeb plan factory was excogitated for the welfare of the American public or the man-in-the-street investor.

SOCIAL JUSTICE emphasizes the following point to show that the so-called recovery is not solid gold.

Mordecai Ezekiel, economic adviser to the Department of Agriculture, in an address before the Taminent Economic and Social Institute and Louis Waldman, member of the State Executive Committee of the American Labor party, recommended a similar plan to that suggested by Dr. Paul Gourrich. The former two gentlemen proposed a national ten year housing program involving an expenditure of $25 billion and said that the Government ownership of railroads was a step essential to recovery.

Mr. Ezekiel said: "For the immediate future I believe the recovery program just approved by Congress, with greatly expanded Federal support of consumer purchasing power, will induce a rapid industrial improvement during the first half of next year."

Ezekiel has now turned thumbs down on the old policy of destructionism. He advocates an ever-normal warehouse for industry similar to the ever-normal granary for agriculture.

Waldman, going a step further, said: "The Government must take over the railroads completely and operate them as an integrated, adequate and modern system of transportation . . . This is one of the first necessary steps in planning for permanent recovery."

Both Ezekiel and Waldman favor the raising of stock prices by at least 50 per cent. It was Gourrich, however, who let the cat out of the bag when he intimated a 25 per cent tax on all gains made by stockholders.

A political note is attached to this five year plan proposed to help industry. A five year plan is now just getting under way in the mind of Mr. Roosevelt's closest advisers — the Kuhn-Loebs through Gourrich, the Rothschilds through Ezekiel and the radical American Labor party through Waldman—. It suggests that Mr. Roosevelt must have five more years in the White House to fulfill the plan. Consequently, with the upturn of business which will come with the increased value of stocks and the ready flow of money, Mr. Roosevelt will be in a stronger position to claim the democratic nomination for the New Deal in 1940.

Meanwhile, the uninformed public will not be aware of the gold plated egg being laid for them until the 25 per cent tax on profits will be added to the taxes already extant.

Now We Know!

JOHN J. O'CONNOR, New York Congressional representative and chairman of the House Rules Committee, has been singled out by Franklin D. Roosevelt and the New Deal as the target of their reprisals. Desiring to purge the New Deal of obstructionists, Mr. Roosevelt has pursuaded Mrs. Elinore M. Herrick, New York Regional director for the National Labor Relations Board, to oppose O'Connor in the New York state primary, September 20.

Congressman O'Connor is to be congratulated for having received this distinction, which is equivalent to the *croix de guerre* in this warfare that decent Americans are waging, more or less unsuccessfully, against the one-party dictatorial government in Washington.

O'Connor led the fight in the House of Representatives against the reorganization bill and opposed the radicalisms of John (Leftist) Lewis most successfully. In order to placate Lewis and to be consistent in his vindictiveness, the head of the new political party known as the New Deal has taken a lesson from the book of Stalin and thereby stands O'Connor against the wall of political death to be mowed down by the tommy gun of party politics.

The New Deal has set itself to oppose everything that John O'Connor advocated. In the case of the proposed monopoly investigation in radio, House New Dealers voted down the measure, because O'Connor supported it. They were aware that Elliott Roosevelt's heavy interests in radio might be exposed, if the monopoly of the "Big Three" were probed. They knew that John O'Connor would do all in his power to show the Elliott Roosevelt situation just as it is.

Because of his opposition to the New Deal, therefore, O'Connor is to be included in the purge of all oppostion members in the Democratic House and Senate. Now we know that the Democrat party is split beyond repair. Now we know that the next Democratic convention previous to the 1940 election will present to the American public a rough-and-tumble, knock-down battle for the possession of power in Democratic ranks.

From The Tower

Continued from Page 5

and regulate and wthdraw money for the citizens of the United States of America when our Constitution plainly says that Congress has the right to coin and regulate the value of money.

Therefore, do not deceive the people who read your statements.

AS FOR Senator Vandenberg, the people of Michigan will never re-elect him or one of his kind to office. He has been a consistent fault-finder against the New Deal Government as I have been. But more than that, he has not issued one constructive idea except to go back where we were before the flood.

Naturally, when the campaign for 1940 comes around, Senator Vandenberg will find none of the followers of social justice defending him because of his efforts to protect this modern usury and the bloody bonds which have been forced with a spear of oppression from the hearts of the working people of America.

Both you and Marriner Eccles, Senator Vandenberg, are responsible for the statement that:

"The assumption that the reserve system is a privately-owned system springs from a misconception of the facts."

It was not enough for you to deceive the public on the main issue of this financial system by yelling inflation at the followers of social justice. What possessed you to make the above statement when you and I and every child in America know that it is a falsehood?

As a matter of fact the Government does not own the Federal Reserve Banking System. It is owned by the stockholders of the affiliated banks and is operated for the profit of those stockholders and not for the profit of the American people at large.

It is an old story, as I said in the opening paragraph, written by an old hand, Jay G. Hayden, who works for an old firm, *The Detroit News*, one of whose oldest stockholders is one of the wealthiest bondholders in the city of Detroit! Consequently, Mr. Hayden knows where his bread is buttered when he defends the bond system and writes the piffle which has characterized the story of June 17, 1938.

And as for your 1937 depression, Mr. Eccles, *you were the human agent responsible for it.* Remember the trips you made to New York when the Government bonds were falling in value? Remember Mr. Morgenthau's assembling the bankers of New York for them to do something about keeping bonds at par? Remember the story you told to Congressman Charles Binderup and to his associates *that it was you who was responsible for having the Federal Reserve Banks withdraw credit money from circulation in order to save the bonds?* Remember the havoc that resulted with the falling of stocks, the closing of factories, the increase in unemployment? You boast that you were responsible for this and that you saved the bond market for the United States Government.

Shame on you, Mr. Eccles, because in your heart bonds are more precious than are the lives of your fellow citizens!

In a way one hardly blames you simply because your superior and Chief Executive, Mr. Roosevelt, had gone on the radio a few nights before your boasting to complain before the American public that the price of commodities was too high and that something must be done about it.

That complaint of his was the tip-off and your command to the Federal Reserve Banks to withdraw money from circulation was the pay-off to the international bankers and to the American public who "profited," as you say, by the interest on the bonds.

Fine profiting—this starvation, this unemployment, this mammon worship!

Mr. Eccles and Mr. Vandenberg, your political associates and your financial playmates cannot escape the wrath of the American people. The day of reckoning is coming sooner than you expect—and your name with Nero's will be emblazoned upon the pages of history as fiddling with finance as the nation burns.

Father Coughlin

The Week in the Nation

POLITICS

"Jimmy The Twister"

JAMES ROOSEVELT, second-eldest son of the President, is carried on the Federal payroll as a secretary to his father. His salary is $10,000 a year. But this is not the only source of income for "Jimmy." His income from his insurance business is estimated to be from $250,000 to $2,000,000 yearly.

These disclosures are set forth in a *Saturday Evening Post* article by capable Alva Johnston, freelance political reporter, who set Washington columnists humming with his previous expose of the close connection between young Tom Corcoran, of the R.F.C., and President Roosevelt.

Little suspicion of Jimmy's tremendous earnings had filtered through to the public despite his artful dodging of an investigation of his income by a Congressional committee examining income tax evasion. Great suspicion now attaches to his every move because of the Johnston disclosures.

In his story, Mr. Johnston sets forth that young Roosevelt began his insurance career at $50 a week, concurrent with his father's swift rise to political eminence. Young Roosevelt's earnings increased in direct ratio with his father's political success, until now he is presumed to be within reach of his goal. He has said he wishes to amass great wealth that he may "devote his life to public service."

There is no direct evidence of political shakedown in connection with Roosevelt's insurance earnings. There is strong hint, however, of this very fact. In every instance the insurance accounts were "twisted" from competitive salesmen who, unfortunately, had no White House axe to cut down the brush of sales resistance. Young Roosevelt was shown to have enjoyed great success in selling such giant accounts as Transcontinental & Western airlines; North America Co., and New England Power Co., public utilities; West Indies Sugar Corporation; Goodyear Tire and Rubber Co.; and Columbia Broadcasting Co.

Each of the foregoing institutions needs a strong one-party line into the White House. The assumption is they receive it through tendering their lucrative insurance business to Jimmy. Under the circumstances young Roosevelt is the greatest example of success in his age. With little experience in specialized insurance and with no technical insurance training, he has been able to wring millions in insurance from the toughest firms. And at the same time, he has been able to devote his major attention to his regular, full-time job as presidential secretary, at a $10,000 a year public salary.

His Aims

In summarizing and evaluating the weight of evidence against Jimmy Roosevelt, Mr. Johnston pointed out that this scion of the nation's most fibrous political stalk aims to be: (1) Governor of Massachusetts; (2) President of the United States.

Furthermore, while his only announced reason for existing is to give himself wholeheartedly to "the public service," he wishes first of all to acquire all possible of this world's goods, the better to equip himself to fight the battle of the forgotten man. In this respect his history would parallel that of his father who, born to wealth, devoted to wealth and solicitous for wealth, pronounces himself the leader of "liberalism" in the cause of the downtrodden.

"JIMMY" ROOSEVELT, the President's second-eldest son, whose personal fortune is believed to have mounted into millions through his sale of insurance policies to firms interested in White House favor. Although his income is estimated at from $250,000 to $2,000,000 a year, he receives another $10,000 as secretary to his father.

Williams Warns W.P.A. Workers

"Judge your friends by the crowd they run with. You know who your friends are. Keep your friends in power. The people who stand for government support of these things (W.P.A. work relief) are those who are going to win the election."

The above clearly-defined political thought was addressed to representatives of 2,700,000 W.P.A. workers by Aubrey Williams, assistant to Harry Hopkins as deputy W.P.A. administrator.

Addressing 800 members of the Workers Alliance, an organization of relief recipients, Williams followed the cues given by Hopkins and by Mr. Roosevelt in tossing off a pretense of non-partiality and advising all relief workers that it would be well to vote the present administration into continued power.

Reaction

The effect of Mr. Williams' address was to solidify the growing belief that unprecedented measures will be invoked to assure the re-election of New Dealers who are 100 per cent Roosevelt; to assure the defeat of those who have strayed even slightly from the Roosevelt groove.

Meanwhile a congressional investigation of politics in relief was threatened by Senator King of Utah, who said that Williams' speech would justify an examination of W.P.A. by a Senate committee.

G. O. P. Politics

Need of any political party seeking to elevate itself to power is first of all a set of lively issues, and secondly a candidate strong enough to dramatize those issues.

The Republican party, all but obsolete as far as influence is concerned, has issues aplenty, but has no candidate for the presidency worthy of consideration, as far as "pulling power" at the ballot box is concerned. Unless Republicans succeed in unearthing a miracle man before 1940, the one-party system of the last five years will succeed in purchasing another mandate.

Republicans to date have floundered about in seeking anchor ground for the start of the critical 1940 campaign. Their interest centers on John D. M. Hamilton, party chairman; Glen Frank, policy maker; Senator Arthur Vandenberg, unknown quantity, and Frank Knox, Chicago publisher and vice-presidential candidate in 1936.

Last week the G.O.P. sought a start as Hamilton attempted to woo dissatisfied southern Democrats; as Knox lashed out at the President for his political fireside chat, and poured out an attack on New Deal propaganda before a convention of the National Editorial Association.

The Republican national committee, meanwhile, met in Washington; debated whether to vacate the chairmanship; heard Bertrand H. Snell, House Republican floor leader, express his decision to withdraw from the next election, and discussed the possibility of contributing $500,000 to the Republican House campaign, and $150,000 to the Republican Senate campaign.

Veteran Washington politicians looked sneeringly at G.O.P. political maneuvers; predicted that only a miracle could restore the party to power under their present, disjointed, stumbling system of opposition.

LABOR

Annual Wage For Owosso

A STATEMENT from A. G. Redmond, president of the company bearing his name, to employes of the newly-formed Owosso Parts Manufacturing Company, led off with this introduction.

"I have been crucified during the past year and used as an example of inhumanity. I am willing to let others lead you out of your plight. You have learned class hatred, so I will eliminate this factor by turning the business over to those who cannot be judged thusly.

"The men who own and operate this new plant are all workers, just like yourselves. You will not be able to call them capitalists and enemies of labor, because they are working men like yourselves. With their savings, plus funds raised in Owosso, they are to attempt to make use of the equipment you would not allow me to use in Flint."

In this fashion Mr. Redmond informed employes of the new company of the inauguration of an annual wage system in the Owosso company, makers of automobile parts. Driven out of industrial Flint by the C.I.O., Redmond attempted to take his machinery to Owosso. Prevented in this by C.I.O. pickets, he succeeded, through legal intervention, in establishing a profit-sharing industrial system in nearby Owosso. The annual wage system provides:

(1) For each worker, a just share in company earnings. (2) A flexible wage arrangement, out of which is paid the annual living wage. (3) Yearlong work. (4) Equality of employer and employe as far as rights and obligations are concerned. (No person can discharge another). (5) An industry-wide system of seniority. (6) Abolition of job-insecurity and favoritism.

ADMINISTRATION

Spy Scare

DEPARTMENT of Justice operatives recently broke up an extensive spy ring operating on instructions from Germany, which sought to obtain technical information on American airplanes, munitions, and coastal defenses.

Concurrent with announcement of the indictment of 18 members of the ring by a Federal grand jury, the *New York Post*, published by New Deal publicist David Stern, announced forthcoming publication of the "inside" story of the investigation by G-Man Leon G. Turrou.

Intervention by President Roosevelt and Federal authorities blocked publication of the series in the *Post* and other newspapers, members of a Stern syndicate chain.

Although the spy ring was the largest to have operated in this country since the World War, the information it acquired was of little real value. Of much greater danger was the frenzied, press-created "spy scare" visioned by Publisher Stern through the agency of Turrou, who resigned his government post to write the series.

Stern, alive to circulation possibilities, hoped to build the spy scare into a running, flaming story of international intrigue, war danger and nationalist hate. It was to have been syndicated for scores of newspapers in the nation, and might well have had an effect similar to the Hearst and Pulitzer sabre rattlings that provoked the Spanish-American war.

After hearing of President Roosevelt's denunciation of the proposed publication of the inside story, Mr. Stern announced that the series would be withheld until after trial of the 18 defendants.

Meanwhile, the position of Turrou provoked debate. Some applauded his enterprise in withdrawing from the Government service to sell the story of his activities; others denounced it. In acting as he did in seeking to barter off reports of Government undertakings, he acted upon the example furnished him by President Roosevelt who sold his state papers—properties of the office of President and not the man—for a sum said to have been close to $100,000; sold numerous books and articles on the inside of the White House for sums totaling a modest fortune.

LEON G. TURROU, ranking G-Man, who resigned after breaking up a German spy ring. Publisher David Stern sought to use his "inside" story of the spy hunt for a syndicated serial on America's spy danger. Publication has been delayed pending trial of 18 defendants in the spy case. (Acme)

The Week in Washington

CONGRESS

Copeland's Successor

UP in Albany and later at Saranac Lake, Governor Herbert Lehman lost no time in announcing to New Yorkers that he would like very much to have the late Senator Copeland's seat in the nation's next Congress. Meanwhile the Washington party leaders do not commit themselves. In the first place, Lehman's opposition to the Court packing bill was a blow to the President, and in the second, most of Lehman's campaign speeches to date have in one way or another, criticized Rooseveltian policies. If the governor had been in the Senate during the last session with his opinions, he would undoubtedly have been listed with the candidates for the purge as was Copeland himself. It should not surprise Mr. Lehman if he does not receive administration support. As a matter of fact, he probably is not too anxious to have it anyway.

* * *

Double Campaign

Representative Sam Rayburn of Texas, House majority leader and aspirant to the speakership if Representative Bankhead lives up to the rumors that he will retire because of his health, is staging a twofold campaign this summer. In addition to running for re-election as representative from his district, Mr. Rayburn would like to be elected majority leader again next year. The majority leader has written a letter to each Democratic member of the House, friendly or otherwise, commending his work in the last Congress and expressing the hope that the Congressman will again be returned to Washington by his district.

Mr. Rayburn explained his friendliness toward even those representatives who opposed the New Deal measures, by adding that the Democratic party was broad enough to tolerate a few "fractious members."

Unfortunately for the Texan, Mr. Roosevelt does not feel that way about it. In addition to trying against almost hopeless odds to displace New Deal opponents like Senators Lonergan of Connecticut and Gillette of Iowa, the President is initiating active campaigns against such died in the wool Democrats as Representative Howard Smith of Virginia and John J. O'Connor of New York.

* * *

No Money

Scoop of the century might be the appropriate name of the story about Representative Lewis of Colorado and his committee to investigate campaign expenditures. For this committee chairman has announced that he proposes to conduct an expenseless investigation, without "junkets."

"If we can turn back our $20,000, we're going to," said the Colorado Congressman. "All our members are lawyers. We propose to hire no counsel and no investigating force, and the two girls in my office will do the work."

Perhaps it is just as well, because an investigating force would only discover what most of them know already—that the worst campaign abuses come from up around the Presidential Cabinet, where it is futile to try to investigate or prevent them.

* * *

Barkley's Bacon

If Senator Barkley does not win the Kentucky primary against Governor Chandler, somebody in Washington should insist upon knowing why. Senator Barkley has been blessed with an appropriation of about $306-million for the state of Kentucky, which analytically, amounts to more than $105 for every man, woman and child in the state of Kentucky. Of course it isn't given to them individually in cash, or Gov. Chandler wouldn't stand a chance. As it is, he is an "also ran" in the primaries as far as the New Deal is concerned.

The most annoying part of the whole thing is the way the governor keeps insisting that he himself is for the New Deal. Senator Barkley, he says, "would like to have the voters believe that my candidacy is one of opposition to the Democratic platform, and in that manner avoid consideration of his own record." If Gov. Chandler does not get enough Democratic votes to defeat the Senator, he will at least know that he was not the only Democrat to plead in vain for people to "take a look at the record."

EYES and EARS OVER THE CAPITOL

by Mark Meecham

Special Session of Investigations

THE attitude of Congress is somewhat like that in our courts of crime—the suspect is innocent until absolutely and beyond a doubt "proven" guilty. What matter if the "suspect" be a recipient of public benefaction, patronage or trust? Sleeping dogs are let lie, and Government agencies, to order and regulate.

If it must needs be that scandals come—and it must—then and only then, do our national legislators note officially that there might exist what friend Hamlet's officer once termed "something rotten."

They follow their vociferously expressed surprise by authorizing what is known as a "congressional investigation." The process is a complicated one, but it is convenient, as it gives the Congress a breathing spell before acting upon the scandal and those by whom it came. Often the investigation is ordered as a substitute for real action against the addicts of some particularly remunerative vice, and lasts only until a torrid popular reaction has cooled off. The congressional investigation is never merely an official prying party. It is generally a last resort used to allay public furore when the truth is about to be found out anyway.

It therefore becomes significant that this last Congress anticipated so many things about to pop that it authorized almost a million dollars' worth of investigations for this summer.

The most spectacular of these, of course, is the O'Mahoney half-million dollar monopoly investigation in which Mr. Roosevelt has assumed a personal interest. Not that Congress and the administration do not know right now, all that there is to be known about monopolies — governmental and otherwise—but an investigation does postpone immediate action, a virtue in itself when Congress is in the mood for homeward treking.

More culprits are sure to be exposed when the Sheppard $80,000 investigation committee uncovers the abusive uses of Federal funds in the promotion of political candidacies. Perhaps even the campaign funds are being misused. Nobody professed to know anything definite about that, so the House voted Representative Lewis of Colorado and his committee $20,000, and told them to look into it.

Then of course, there is the Donahey $100,000 T.V.A. joint investigation which became a necessity when former T.V.A. Chairman Arthur E. Morgan began hurling charges at his ex-cohorts. Un-American activities may also be publicized as a result of the Dies investigation, for which Congress appropriated $25,000. Subversive activities in the American Merchant Marine were to have been investigated this summer by the late Senator Copeland, whose untimely death will greatly hinder the success of this $20,000 committee. An investigation of tax-exempt securities was assigned to Senator Brown of Michigan, along with $5,000 to be spent by his committee.

Some Senators thought that the waste, corruption and inefficiency in the W.P.A. had gone far enough and suggested that they investigate that, too. But administration leaders blocked Senator King's resolution to so investigate, just as they did the resolution to inquire into the acts of the Federal Communications Commission.

One Senator wondered what had become of our $2-billion stabilization fund and was brave enough to ask . . . but nothing happened.

A few representatives suggested that if un-American activities were to be investigated, somebody ought to start on the New Deal bureaus, but they were also met by an expedient change of subject.

Nevertheless, if for every ounce of surface suspicion, the Congressional investigators uncover a pound of actual guilt, the summer's investigatory session will have reaped a heavy heap of scandals—but actually, it will have effected nothing to prevent them. While this is typical of Congressional buck-passing in a pre-election year, it has one redeeming feature. The investigations will reveal to the voting public at least some of the information previously confined in the secret sanctums of the inner circle,—and that IS SOMETHING.

FINANCE

Searchlight on the Money Changers

Washington, D. C.—The National Industrial Conference Board in a recent report has estimated expenditures for all divisions of the government at $16-billion, 900-million. Broken down on a per capita basis, total expenditures have increased from $79.96 to $132.73 in 1936, while tax collections have arisen from $59.64 in 1933 to $81.74 in 1936.

The gross debt of all governments in the United States has increased because of Federal expenditures, according to the board, which showed that since 1931, the debt of state and local governments had remained almost stationary, while the gross Federal debt has increased from $16-billion, 800-million in 1931 to $36-billion, 400-million in 1937.

Personal and corporation income taxes led with an increase of 188 per cent over 1932. Liquor taxes ranked second as a source of Federal revenue. Next came tobacco, followed by the manufacturers' excise taxes, estate and gift taxes and finally the so-called Social Security taxes.

The three Middle Atlantic states of New York, Pennsylvania, and New Jersey collected more than 30 per cent of all state and local taxes in 1936.

The gross debt of all governments in the United States amounted to $55-billion, 600-million as of June 30, 1936.

The American people—and most peoples of the world for that matter—are an enslaved people. We are enslaved by the millstone of debt: private debt, industrial debt, municipal debt and national debt.

The irony of the situation is that the greatest portion of this unpayable debt is needless. A small group who control the nation's money supply, by keeping only $6-billion in currency and the balance in debt money, is the real cause.

Our so-called statesmen and the newspaper headlines scream about the barbarity of air-raids on defenseless populations.

Yet we have permitted a small group within every nation, through the power of issuance by central banks, to make a raid on the very essentials of life. This same group that has dropped the bombs of exploitation into confusion and ignorance of a weary people, maiming them with debt, restricting their liberties, and torturing them with the uncertainty of economic stress that haunts their lives!

This international money group has bombed large areas of the world with bombs of destitution and misery more cruel, more pitiless, more ruthless, and over longer periods of time, than has any foreign invader in violent open warfare.

The casualty list is made up of the homeless, the hungry, the persecuted, the bankrupt and those who have been seriously maimed by financial worry and even malnutrition.

We have been deluded into believing that we are a free people. Our political freedom is a punch and judy show, while our economic bondage increases daily.

Until this private power to control money and credit is broken, social injustice will prevail.

The Collapse of Congress

By ROBERT H. HEMPHILL

A Smoke Screen of Debated Measures Was Slyly and Deliberately Created to Take the Nation's Mind Off the One Remedy Necessary — Monetary Reform. Having Done Exactly Nothing to Help the Hungry Jobless, Congressmen Are Now Going Home to Talk the Voters Into Re-electing Them.

It is a queer situation when the business men of the country—the producers—those who feed the politicians—those who create everything we have—look upon their own Representatives in Congress as their worst enemies.

The whole country felt relief when Congress passed the Wage and Hour bill and adjourned.

I have just read this much ballyhooed Wage and Hour bill. As passed, the measure bears little resemblance to the original bill in either branch of Congress. As for its social effect, or a sincere effort to establish a living wage for labor, it is a tragic joke. It provides a minimum of 25c per hour for certain adults when, as, and if. In addition, it provides for an extensive bureaucracy to constantly examine and harass business for no discernible purpose. It cannot enforce higher wages than 25c per hour.

There is no industry anywhere in America worth preserving that does not pay wages far in excess of this minimum. It is as futile a piece of legislation as has ever been considered, with the exception of the last "Unemployed Census." Its most vigorous supporters make no claims for it except that it will affect the sweatshops.

When this nation is reasonably prosperous, there are no sweatshops. There is no labor available at $10 or $11 per week, which this bill provides as the maximum wage that can be legally demanded. Under any circumstances, it would affect an almost negligible fraction of labor. On the great preponderance of labor it has no beneficial effect whatever.

Under the present circumstances, with vast unemployment — millions willing to accept any job at any wage predatory employers can reduce wages to the legal minimum established by this law and justify their action by quoting "that is the law," and the poor exploited employ has no come-back. From that angle I think this Wage and Hour law will do much harm. I think, maybe, that was the real under-cover objective — a legal method of reducing wages to a mere subsistence level.

What impression do you get out of all this important Congressional activity — long and strenuous debates upon subjects which have no point—no serious beneficial objective? Certainly there is something behind this waste of Congressional effort.

Isn't it clear that these measures, highly controversial, parading under a smoke screen of humanitarianism, are thrown into the arena to occupy Congress and *to prevent the consideration of monetary and economic legislation having a direct bearing upon our difficult situation?*

Congress is adjourning knowing there are more than 11,000,000 employable persons, excluding agricultural workers, who are without any means of livelihood, according to the official figures of the Department of Labor — knowing that nothing has been done to relieve this tragic state of affairs.

They have provided what they believe to be sufficient so-called relief and work appropriations to control the fall elections — nothing more. There has been little, if any, attempt to even camouflage this political objective. *The plight of the great army of unemployed has been completely ignored.*

It seems to me an incomprehensible state of affairs. I have talked to many of the legislators. They agree that unemployment is increasing and that the measures taken will make little, if any, change. They act like men who are hypnotized. They appear to be completely irresponsible. The idea that they have been elected for the express purpose of devising legislation which will remedy this situation or repealing legislation which is preventing recovery seems beyond them.

With pitifully few exceptions, they are thinking of just one thing—how can they be re-elected to the positions they have just conclusively demonstrated their total unfitness for.

They agree that they have done nothing to substantially help. They agree that they have delegated no power to the Chief Executive which will materially help. They are simply sidestepping their responsibilities and

going home to plead with the voters they have betrayed for re-election.

Why should they be re-elected—any of them?

What is behind this amazing situation?

Have we a Congress of incompetents? Are we witnessing a complete failure of this Government? Is our type of Government inadequate to cope with the situation?

Why should these men be sent back to Washington for another period of futility, while the country sinks deeper into depression?

There is certainly no point to re-electing these men. They are either grossly incompetent or criminally evasive of their plain obligations.

This is not just a deplorable matter to read about and dismiss. *The immediate future of this country is in jeopardy* by reason of the failure of our central Government to measure up in ability and disposition to cope with an economic breakdown. Your own personal welfare and that of your wife and children has been betrayed.

OUR present distressing situation, and the dark future which is ahead, is not a social problem. It is purely an economic jam. The social maladjustments grow out of the economic distortion. The latest official figure of unemployment is 11,300,000 exclusive of agricultural workers — probably 14,000,000 to 15,000,000 able and willing workers who are unable to produce the things we would like to have but are unable to buy because we haven't the money—therefore, they in turn have no money to buy our products. *The money does not exist.*

Congress refuses to study that definite question and devise a remedy and so they are going back home to invent and deliver to their starving and idle constituents such plausible excuses as they can devise to divert their supporters' minds from the monumental failure to which they as legislators contributed by their stupidity and indifference.

These are harsh words, but they are wholly inadequate. I have no vocabulary to express my contempt for the shameful cowardice of these traitors to the trust imposed in them. They ought not to receive a single vote. Any opponent would be an improvement—no one could be a more complete failure than our incumbent Congressmen.

We are not wholly defenseless. We have the power to refuse to re-elect these unfit men. We can demand from every candidate a specific promise as the price of our votes. If we fail to exercise this power, we will have contributed to our own disaster.

We are suffering from a shortage of money—purchasing power. We must have in circulation not less than TEN BILLIONS OF DOLLARS of additional money, not necessarily actual currency in our pockets, but deposited in our checking accounts in our commercial banks, to buy the products which can be created by the present unemployed, and this must be put into circulation by a public works program over a period of years.

I favor the program suggested by Governor Earle of Pennsylvania,—a public works program of five years which will put into circulation each year two billions of dollars in excess of the annual tax collections.

This will increase the national income at the rate of six billions per annum. I believe that it is as fast as we should attempt recovery.

This program can be put into effect, by only one method.

That method is to require from every man we vote for, a pledge,—a solemn and binding pledge, publicly uttered,—that he will lay aside every other measure and devote himself and his whole time and effort and his vote in Congress to devising and executing that specific program. That he will refuse to consider any other legislation until that specific program is enacted into law.

This proposed measure will meet the opposition of the entrenched classes who live upon the interest on the bonds they own. It will be opposed by the powerful newspapers they control. But we can put this program into execution if we can elect 100 good men to the House of Representatives and 20 Senators to the Senate, all pledged to promote this program to the exclusion of any other measures until it becomes a law.

Will this program mean inflation? No. *There can be no inflation until we have created more buying power than goods can be created to satisfy.* We are a long way from such a situation. We will be a long way from that situation when this program is complete.

The banks *could* inflate. They could do that now. On their present excess reserves they could issue and lend into circulation at least twenty billions and perhaps thirty billions of their imaginary money—bank credit. With ten billions of new money, or Government credit, in circulation, they could issue sixty or seventy billions more, but it is easy to remove that menace.

As fast as this new money goes into circulation, the reserve requirements of the commercial banks should be raised so that they cannot erect on this new real money a superstructure of their own imaginary bank credit money at the rate of six to ten dollars for each dollar of real money put into circulation and deposited with them.

I would like very much to see the Social Justice organization revived. Not to put out a political slate, but to band together those who know that our fundamental troubles, economic and social, all stem from the private control of the creation of the only workable substitute for money—bank credit—that is available.

This body of serious and thought ful men and women is sufficiently strong to require the necessary pledges from the candidates for Congress who will be elected during the next year. And there are sufficient numbers of Senators and Representatives up for election, or re-election, to put the necessary measures into execution if they band together and refuse all other legislation until the measures suggested are enacted.

We can afford to dismiss for the moment other reform measures. We *must put our idle back to work* before any other project is considered. If we do not do this, our democratic Government is in jeopardy, and, in my opinion, a dictatorship is inevitable.

That possibility ought to frighten everyone, whatever his politics, into the supreme exertion. It is a distinct possibility, now.

The TOLL GATE KEEPERS of SUEZ

by Ben Marcin

Despite All Efforts of Affected Nations, This Vital Artery of Commerce Continues in the Control of Private International Bankers Who Exploit Usurious Profits From The World's Shipping, Even in Depression.

DISRAELI'S COUP

PART TWO

THE Suez Canal was completed in 1869, but the hydra-headed monster of finance appeared to plague Ferdinand de Lesseps, its builder. The cost of the huge project had exceeded estimates. In the actual operation of the canal in 1870 and 1871, the first two years of its life, expenses ran ahead of receipts.

The Franco-German war of 1871 had drained France's capital and de Lesseps was so hard pressed that he offered to move the management and control to London, but the British Foreign Office received his proposition coldly. Even Gladstone, who had the foresight to see the importance of the project for the preservation of England's commercial supremacy, was not inclined to aid de Lesseps.

Politically, England was held in disrepute at the time as a leading power of Europe. Bismarck was marching for Germany. The Czar of Russia held considerable sway. England's aid to America during the Civil War and the schemings of her bankers were subversive. The Hazard Circular insured economic slavery through bonds.

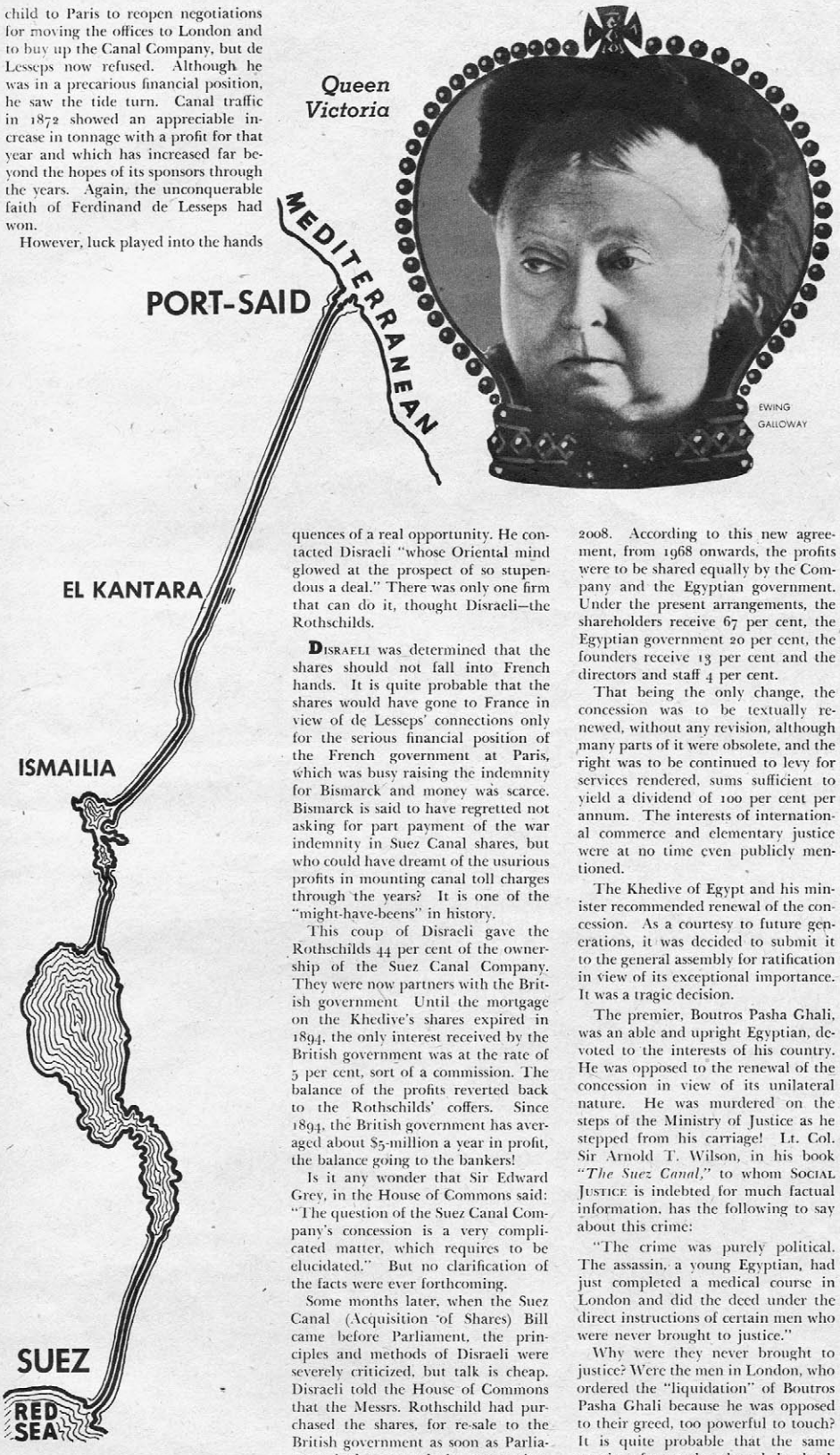
Benjamin Disraeli, who had been an agent for the German bankers, von Habers, arose from that post and a pamphleteer to become Chancellor of the Exchequer and Leader of the House of Commons. Advanced to Prime Minister, Disraeli decided the time had come to resurrect England's prestige. He knew England had to obtain possession and control of the Suez Canal.

Disraeli sent Baron Lionel de Roths-

Disraeli

child to Paris to reopen negotiations for moving the offices to London and to buy up the Canal Company, but de Lesseps now refused. Although he was in a precarious financial position, he saw the tide turn. Canal traffic in 1872 showed an appreciable increase in tonnage with a profit for that year and which has increased far beyond the hopes of its sponsors through the years. Again, the unconquerable faith of Ferdinand de Lesseps had won.

However, luck played into the hands



of Disraeli. Ismail Pasha, the Khedive of Egypt was in dire financial straits. As a man about town he needed money to keep going. In fact, he needed $20-million in cash—pronto. He planned to mortgage his 176,602 shares of stock in the Suez Canal Company.

Frederick Greenwood, the editor of the *Pall Mall Gazette*, heard of the situation through Henry Oppenheim, a financier. This veteran journalist at once recognized that here was something more than a news item—something with the far reaching consequences of a real opportunity. He contacted Disraeli "whose Oriental mind glowed at the prospect of so stupendous a deal." There was only one firm that can do it, thought Disraeli—the Rothschilds.

DISRAELI was determined that the shares should not fall into French hands. It is quite probable that the shares would have gone to France in view of de Lesseps' connections only for the serious financial position of the French government at Paris, which was busy raising the indemnity for Bismarck and money was scarce. Bismarck is said to have regretted not asking for part payment of the war indemnity in Suez Canal shares, but who could have dreamt of the usurious profits in mounting canal toll charges through the years? It is one of the "might-have-beens" in history.

This coup of Disraeli gave the Rothschilds 44 per cent of the ownership of the Suez Canal Company. They were now partners with the British government Until the mortgage on the Khedive's shares expired in 1894, the only interest received by the British government was at the rate of 5 per cent, sort of a commission. The balance of the profits reverted back to the Rothschilds' coffers. Since 1894, the British government has averaged about $5-million a year in profit, the balance going to the bankers!

Is it any wonder that Sir Edward Grey, in the House of Commons said: "The question of the Suez Canal Company's concession is a very complicated matter, which requires to be elucidated." But no clarification of the facts were ever forthcoming.

Some months later, when the Suez Canal (Acquisition of Shares) Bill came before Parliament, the principles and methods of Disraeli were severely criticized, but talk is cheap. Disraeli told the House of Commons that the Messrs. Rothschild had purchased the shares, for re-sale to the British government as soon as Parliament had approved the transaction. The fact remains, however, that the British government was the purchaser, with money borrowed from the Rothschilds. Disraeli's explanation was only a constitutional fiction, though a convenient one. It enabled him to write the now famous note to Queen Victoria: "It is just settled, you have it, Madam," referring to the purchase of the Suez Canal.

IN 1910, a concerted effort was made to renew the concession of rights covering the Suez Canal which expires in 1968 for a period of 40 years to 2008. According to this new agreement, from 1968 onwards, the profits were to be shared equally by the Company and the Egyptian government. Under the present arrangements, the shareholders receive 67 per cent, the Egyptian government 20 per cent, the founders receive 13 per cent and the directors and staff 4 per cent.

That being the only change, the concession was to be textually renewed, without any revision, although many parts of it were obsolete, and the right was to be continued to levy for services rendered, sums sufficient to yield a dividend of 100 per cent per annum. The interests of international commerce and elementary justice were at no time even publicly mentioned.

The Khedive of Egypt and his minister recommended renewal of the concession. As a courtesy to future generations, it was decided to submit it to the general assembly for ratification in view of its exceptional importance. It was a tragic decision.

The premier, Boutros Pasha Ghali, was an able and upright Egyptian, devoted to the interests of his country. He was opposed to the renewal of the concession in view of its unilateral nature. He was murdered on the steps of the Ministry of Justice as he stepped from his carriage! Lt. Col. Sir Arnold T. Wilson, in his book "*The Suez Canal*," to whom SOCIAL JUSTICE is indebted for much factual information, has the following to say about this crime:

"The crime was purely political. The assassin, a young Egyptian, had just completed a medical course in London and did the deed under the direct instructions of certain men who were never brought to justice."

Why were they never brought to justice? Were the men in London, who ordered the "liquidation" of Boutros Pasha Ghali because he was opposed to their greed, too powerful to touch? It is quite probable that the same usurious forces who plotted the death of Abraham Lincoln, because he threatened to free America from the international bankers, were behind the Egyptian premier's death.

But the murder had the effect of crystallizing public opinion. The scheme for renewal of the concession covering the Suez Canal was defeated unanimously with the exception of two ministers of the Khedive.

WHILE this memorable session was going on at the general assembly in Egypt, another fierce debate was in progress in the House of Commons in London. This legislative battle disclosed that:

(1) The British government owns 46 per cent of the shares of the Suez Canal Company.

(2) Notwithstanding this fact, Great Britain had only three directors on the Board of Control of the Suez Canal Company, who were only figureheads and had no power to enforce their views.

(3) The British government was the guardian of the interests of Egypt.

(4) The British government was the protector of the Canal Zone only in case of war.

(5) That British shipping constituted some 70 per cent of the total canal traffic.

After the smoke of the debate in London died away, the view was generally taken that the Suez Canal Company could do what it liked and no one could say anything to counteract their action. Financial monopoly —usury triumphant—was the only law.

While the statutes of the Suez Canal Company, as defined in the constitution, calls for the present membership of 21 French citizens, 10 British subjects and 1 Dutch subject, all power is vested in the Board of Control on which Great Britain only has three representatives and these are practically powerless. The directors receive a salary of $17,000 per annum, plus expenses and bonuses. The Board of Control is under the complete domination of the Rothschilds!

Ferdinand de Lesseps specifically directed that 25 per cent dividends were to be the outside limit—not 267 per cent, as in 1929. He was particularly desirous that no small group of men, or any one nation, would have a monopoly over the Suez Canal. Such a condition furthermore is an open violation of the "Terms of the Concession" of 1854 which are still in effect.

De Lesseps desired the toll rates to be reduced in proportion after dividends reached 25 per cent, somewhat similar to the rates of a public utility. Since 1910 and especially since the depression of 1920-21, repeated attempts have been made by British shipping interests to obtain a reduction in toll charges.

In one letter, they complained to the British government:

"We contemplate with growing concern a monopolistic company, which can with modesty describe its results as 'brilliant,' paying huge dividends year after year out of earnings of which every penny has been contributed by the shipping industry during a period of unparalleled trade depression."

Mr. F. J. Marquiss, representing the Liverpool shipowners made the statement in the House of Commons in 1933:

"The time has come to urge the British government to assert its rights, recognize its obligations, and secure that representations should be made to Paris to make it clear that the Suez Canal rates, at present charged, constitute a serious exploitation of a monopoly, at once bad for trade and repellent to the modern social conscience."

Sir Arnold Wilson describes the Suez Canal as:

"A vital artery, tenanted by growths once beneficient, but now parasitic upon the life-stream of overseas commerce."

Who will untie this Gordian knot that is fast becoming a cause of international friction in a tinder-spotted world?

The Suez Canal Company has not the right to impose arbitrary terms upon the commerce of the world!

Forms of Government, or Political Philosophies, Have Little to Do With War-Making. Nations Act From Motives of Self-Interest. Our Immediate Task is to Defeat the Depression.

ABOVE the din of screeching and incoherent propaganda, calculated, if not designed to break down the traditional foreign policy of this Government and involve us in foreign controversies and wars, it was reassuring to hear the clear, sane voice of our American Ambassador in London saying:

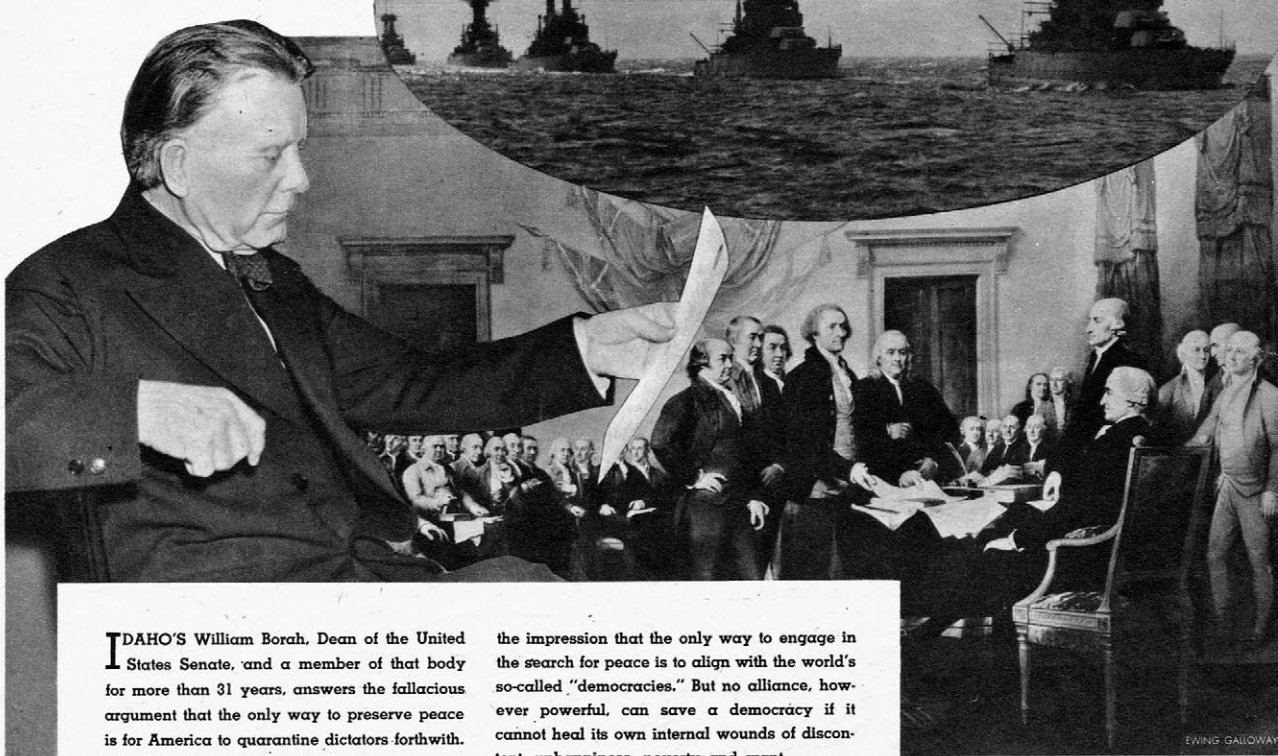
"The great majority of Americans oppose any entangling alliances. Most Americans insist that their country retain its independent and unmortgaged judgment as to the merits of world crises as and when they arise. This viewpoint has dominated the whole foreign policy of the United States and it endures to this day . . . The United States has no intention of attacking anyone. It does not expect to be attacked. It is now, and intends to remain, on friendly terms with every country in the world. If the force of events should make it impossible for us to follow this policy, my country will decide when the time comes, what to do to preserve the welfare of its own citizens."

This sound foreign policy is as essential to the contentment and happiness of the American people and to the power and dignity of this republic as when Jefferson first stated our policy to be: *"Peace with all nations, commerce with all nations, friendship with all nations, entangling alliances with none."*

NO FOREIGN ENTANGLEMENTS

By William E. Borah
United States Senator from Idaho

Brown



EWING GALLOWAY

IDAHO'S William Borah, Dean of the United States Senate, and a member of that body for more than 31 years, answers the fallacious argument that the only way to preserve peace is for America to quarantine dictators forthwith. There has been a studied effort, even on the part of some administration leaders, to create the impression that the only way to engage in the search for peace is to align with the world's so-called "democracies." But no alliance, however powerful, can save a democracy if it cannot heal its own internal wounds of discontent, unhappiness, poverty and want.

—The Editor

WIDE WORLD

While providing at all times adequate national defense, as against those who would attack us, it should still be the policy of this Government to seek friendly relations with "every country in the world," regardless of race or creed, political theories or forms of government. However abhorrent may be the theories or practices maintained in other countries, the amelioration of such conditions does not lie in a departure from the sound foreign policy so clearly and so well stated above and so long maintained by this Government. It is one thing to personally reject an "ism" or a political creed, but it is wholly a different matter to permit these things to change international relations.

When the so-called peace treaties were signed at Versailles, ancient states had been dismembered, national boundaries re-established, vast colonial possessions given over to the victors, people shoved about from sovereignty to sovereignty, with no more choice upon their part than have cattle which are prodded from one corral to another. All Europe and parts of Asia had been redistributed, divided up, parcelled out, largely in accordance with the terms of secret treaties made while our American boys were being conscripted to fight in foreign countries, "for the preservation of democracy." It seemed to be believed at that time, that this arbitrary division of the world would stand, that the "have" nations would become the righteous nations, and the "have nots" the unrighteous.

Of course, such a treaty could not stand. It affronted every principle of justice and challenged the deepest passion of the human heart, that of nationality. It soon brought Europe to a state of bitter unrest and shortly to hunger and want and unspeakable suffering upon the part of the masses. As a result all nations, even in the midst of economic paralysis, began to arm. While the hospitals of the nations were still crowded with the maimed and the insane, everywhere there was preparation for war—really preparation for the maintenance of the terms of the Versailles Treaty.

The Versailles Treaty is the mother of modern armaments. There has been no peace in Europe since it was written, and it seems to be certain there will be no peace until its most unjust terms are ameliorated or rejected.

THE German dictator reached out recently and took under his control and direction the once proud country of Austria. It is a sad and stirring thing to see a once great nation—the vast estate of Maria Teresa—pass under the domination of another power. But if you begin your study of the event with the signing of the Versailles Treaty, that which happened to Austria would appear natural, logical, inevitable, and a thing which is not of slightest moment to the Government, as a government, of the United States.

Austria had never been an independent nation, except in name, since she escaped from the operating table at Versailles. It was there that she was robbed of her wealth, most of her natural resources, and deprived of every means by which she could hope to become and remain an independent nation. Economically, financially, politically she had been rendered helpless. It was inevitable that some strong power would extend its domination to this rather pivotal piece of territory. If Hitler had remained a hod carrier in his native village, Austria and Germany would nevertheless have come together sooner or later, as they undertook to do peacefully in 1931.

This peaceful movement was interrupted when the so-called World Court suffered itself to be made a political tool of the chancellors of Europe. The Versailles Treaty has many crimes for which it must give an account, but none more futile and brutal than its crime against Austria. It is nothing less than a flimsy piece of transparent acting for those nations who joined in committing that first crime to seek to make a great world tragedy of the fact that the nation thus outraged, has come under a new master. Austria cannot possibly receive a harsher treatment at German hands than it received in the first instance at the hands of its "friends."

It would not be necessary to recall these matters — plain, indisputable facts of history—were it not for the exaggerated use which is being made of this incident to shame and denounce the American people for refusing to have a part in these unfortunate events. I have used the singular term in speaking of the Versailles Treaty but I have had in mind, of course, a group of treaties, including the treaty of St. Germain and of Trianon.

MODERN wars are mass wars, and the art of leading a people into war is the art of deceiving the masses. You could hardly expect a people to be greatly moved over a distribution or redistribution of territory unless it was their own territory. Some more searching appeal must be had. Naturally, therefore, there comes into the discussion the problem of again saving democracy. We are plainly told that there should be an alliance, parallel or otherwise, between democracies that we may offer a "solid front" against dictators.

It seems to be assumed that there is, or shortly will be, a line-up of the nations—the totalitarian states upon the one side and the democracies on the other. And that these antagonistic forces will sometime or other settle their differences in some great naval battle like Actium or Trafalgar. If we are to judge the future by the past, or if we are to consider the forces which moves nations, all this seems impracticable and unworkable.

When have nations drawn apart or held together by reason of different or the same views or philosophies as to forms of government or political theories? A nation acts, indeed must act, under the iron law of self-interest —a thing seldom determined by forms of government. The theory that you can save democracy through an alliance with democracy is a misleading theory.

The problems of democracy—especially our democracy—lie closer home and are to be worked out along wholly different lines. After we have provided adequate defense for our nation, as we shall do, the problems of democracy remain. Democracies are bleeding inwardly. *The healing is not to be found in armaments, but in bringing contentment, happiness and prosperity to the harried, confused and discouraged citizen.*

THERE is greater danger to our democracy in that vast army of unemployed camped in every city, town and village throughout the land; in that 50,000,000 men, women and children living in constant sight of the poverty line, poorly clad, and poorly fed; in the hundreds of thousands with the number increasing every year, of malformed and rickety children; in the 5,000,000 girls and boys who leave colleges and universities finding no avenue in which to engage their energies, their genius—more danger here by far, than in any fleet of battleships which any nation, or group of nations, may choose to send against us. That danger is here in all its hideous ugliness, eating away at the moral fibre of our people. Widespread poverty, want, and suicide walking with want, will in time break the morale and destroy the faith in government of any people.

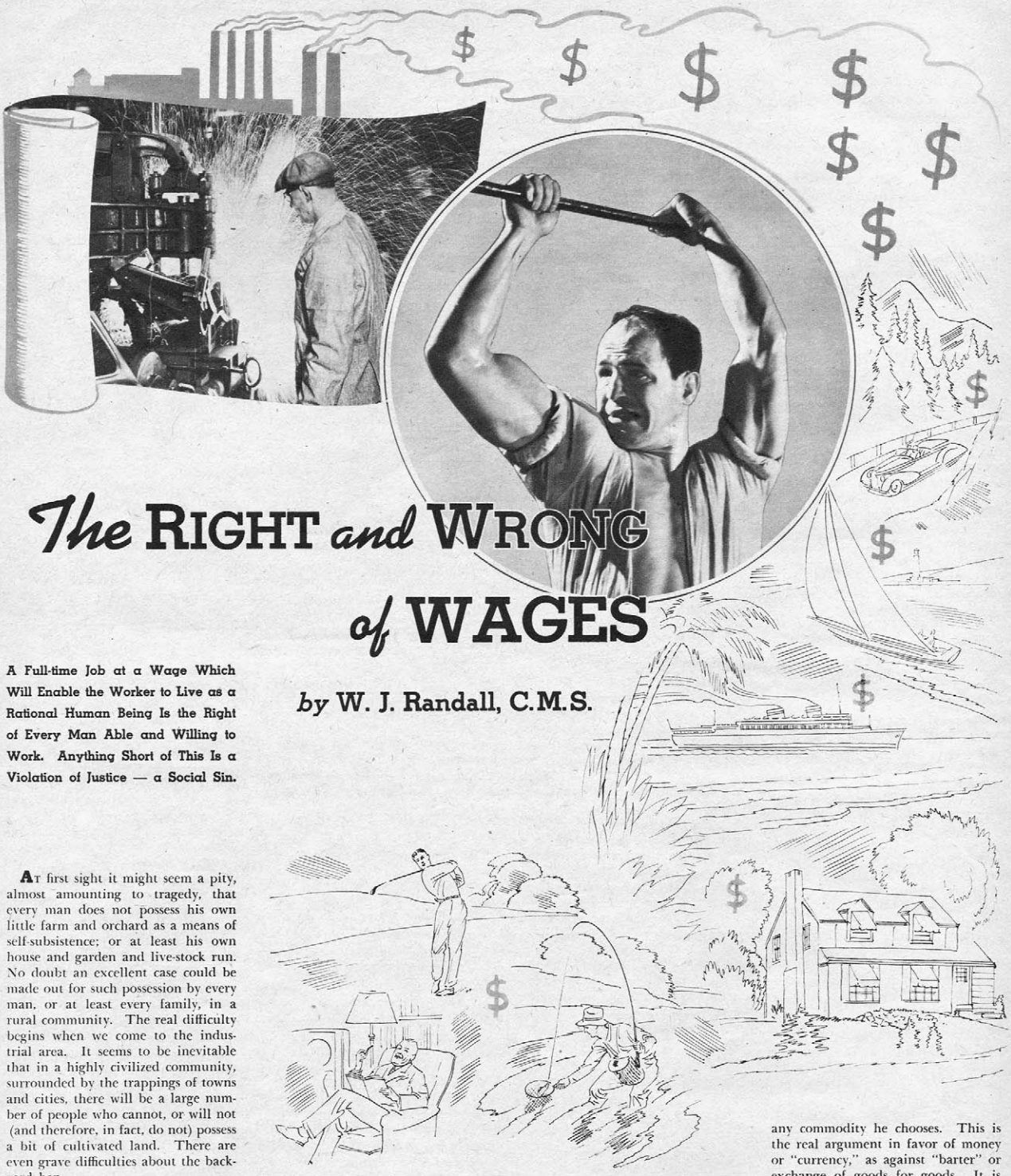
I care not what flag floats over a people, what their traditions as to liberty may be, how well their institutions of government express the aspirations and hopes of a people, crushing taxes and hunger and disease and broken families will in time undermine and destroy all these things. These are the things which make for Communism and Fascism, and which today wage war against every democracy in the world. This is the problem of democracy. If democracy cannot find a cure for the disease of waste, for the things which undermine and discourage the citizen and dissipate his energies, it is useless to talk of combinations or alliances, or preparedness, because the remedy of these things constitutes the true basis of all preparedness.

Enemies of liberty, enemies of religion, enemies of the family, the Communists' and Fascists' doctrines would sweep away the very foundation stones of Christian civilization. Against these systems there is, in the last analysis, no security, no protection, except the security and protection found in the contentment and happiness, the prosperity and the devotion of the people.

I know of no course we as a people could pursue, more definitely calculated to establish a totalitarian government in this country, than to permit ourselves to be involved in foreign wars.

War is always the eternal enemy of democracy, the friend of Communism, and the father of Fascism. Yet those who would drag us into all foreign controversies are the friends of just such measures. While accentuating our supposed duties abroad, they would undermine and destroy our liberty as a people at home. Those who talk so glibly about our duty to crush Nazi-ism in Europe, if they should have their way, would plant the brutal thing in the very heart of the American republic.

Our supreme and imperative task is here at home—and it is a task—which many fear we can never successfully meet. Whatever is necessary for the defense of this country and the life and liberty of our people, no true American would withhold. And what we owe to other peoples in promoting the cause of peace in fostering better understanding through trade and commerce, and in friendly relations, we will doubtless always be ready to admit and to pay in full. But venturing beyond that and permitting ourselves to be drawn into controversies and wars not our own, there is no depth of human misery which such a course may not entail and no calamity to our scheme of government which may not ensue.



The RIGHT and WRONG of WAGES

A Full-time Job at a Wage Which Will Enable the Worker to Live as a Rational Human Being Is the Right of Every Man Able and Willing to Work. Anything Short of This Is a Violation of Justice — a Social Sin.

by **W. J. Randall, C.M.S.**

At first sight it might seem a pity, almost amounting to tragedy, that every man does not possess his own little farm and orchard as a means of self-subsistence; or at least his own house and garden and live-stock run. No doubt an excellent case could be made out for such possession by every man, or at least every family, in a rural community. The real difficulty begins when we come to the industrial area. It seems to be inevitable that in a highly civilized community, surrounded by the trappings of towns and cities, there will be a large number of people who cannot, or will not (and therefore, in fact, do not) possess a bit of cultivated land. There are even grave difficulties about the backyard hen.

We are thus brought to face some other means of self-support than that afforded by direct production. In other words, we are brought to consider the question of wages. It is our business in the present article to consider that question—the nature and administration of "wages."

"Those who hold that the wage-contract is essentially unjust," writes Pope Pius XI in the *Social Order*, "and that in its place must be introduced the contract of partnership, are certainly in error." Nevertheless, the Holy Father adds that, considering human society as it stands, partnership should be introduced if possible.

"In the present state of human society," he writes, "We deem it advisable that the wage-contract should, when possible, be modified somewhat by a contract of partnership, as is already being tried in various ways to no small gain both of the wage earners and of the employers." And he adds the reason behind this: "In this way wage earners are made sharers in some sort in the ownership, or the management, or the profits."

Wages, therefore, are in themselves right and just. Regarded as a system, they form a system that is right and just. The question of injustice comes in when we consider the amount of the wage.

Let us be clear as to what we mean by a "wage." We may call a wage the giving of something of value in exchange for some service; that service being directly productive or not. It may be making something or merely doing something; but in some way it helps the one who gives the wage. It is the handing over of something valuable by way of payment for some work performed. This might of course be done by the handing over of any commodity of value. Thus a man might be given a sack of potatoes for carrying twenty sacks of potatoes; or for producing potatoes from a piece of land owned by somebody else. And, doubtless, in a very simple community, if a man objected to this form of payment for dealing with a sack of potatoes, he would merely be given the sack. But in more elaborate and complicated communities it has been found much more convenient to make payment by means of money. For by this means a man is left free to exchange his wages for any commodity he chooses. This is the real argument in favor of money or "currency," as against "barter" or exchange of goods for goods. It is much more convenient.

In our state of civilized society, then, wages may be defined as a payment of money or purchase-token for services rendered or work performed.

Now it is this work or service (or, to give it its technical name, *labor*) that directs and controls the whole question of wages.

Labor has two notes or qualities: It is personal, and it is necessary. On these two qualities of labor Pope Leo XIII said some very definite things. Listen for a moment to his words in the immortal encyclical the *"Rerum Novarum"*:

"First of all, it (labor) is *personal*, inasmuch as the force which acts is bound up with the personality and is the exclusive property of him who acts, and further was given to him for his advantage. Secondly, man's labor

is *necessary*, for without the result of labor a man cannot live; and self-preservation is a law of nature which it is wrong to disobey."

A man's ability to work belongs to him as a peculiarly personal and inalienable possession. It is not a thing that can be given away like other property—only the fruits or products of it can be given away.

As everybody in the community owes his existence to work of some sort, then everybody in justice must contribute *something* — otherwise he would be doing nothing in order to live; which is against justice. Every man has the right to live; but not the right to idle. If not incapacitated by mental or bodily infirmity he must give something for the privilege of life. And therefore, at the very least, he must remunerate to some extent those who work for his benefit, even if he does not perform any of the work himself. He must give some partnership in the fruits of the work, or at least he must give wages.

And so we arrive at the clear conclusion of the worker's right to a wage —which represents the benefit to him of the work he performs.

THE next question must be: What is the amount of the wage to be? How much is the amount of the "just" wage?

It must, of course, be in proportion to the amount of the work performed. But how can we arrive at this amount?

Well, it cannot be less than the amount which enables the worker to live in a decent and reasonable way. A worker's *total* wages must (if they are just) provide him with a sufficient means of reasonable livelihood. We say "total wages"; because a man might do work for several employers, as in fact happens in "part time" jobs. In such cases an employer is bound in justice to pay a reasonable amount for the amount of work performed for him.

But what is the *reasonable* amount?

It is the amount which enables the worker to live as a man should live—according to his rational nature. To do this he must possess all those things necessary to the well-being of his body and of his mind. His wage must be a "living" wage.

In this now familiar phrase did the great Pope Leo demand justice for the worker in 1891. Our present Holy Father reiterated this demand in 1931.

The question may be asked (by an employer)—"How much is the reasonable amount of work which can demand this reasonable or living wage?"

That is not difficult to answer as far as the principle is concerned; any difficulty will be in regard to details. The principle is this—the amount of work is reasonable which fills a man's time after allowing for sufficient sleep, rest, and recreation; or, in one word, *leisure;* which is essential to a reasonable human life.

Mr. X, millionaire, may choose to work for eighteen hours out of the twenty-four in a natural day; every minute of those eighteen hours may be devoted to "business"; with a snack meal or two thrown in (literally "thrown in") and a telephone at his bedside; and with the result of impaired digestion and ragged nerves. He is finally doomed to soda-water and a biscuit as his regular diet. Apart from the question of injustice to himself by this freely chosen mode of life, he should certainly not be *compelled* to do it. No more should any man be compelled by circumstances to make his life a mechanical grind, to the exclusion of leisure and to the ruin of his physical constitution. It is "unconstitutional" in two senses!

The normal man (it will be conceded) needs six or seven hours sleep out of the twenty-four (even though some men may need more or less); several hours out of the week for social life with his family or his fellows; an hour here and there for mental and bodily relaxation, exercise and culture. If these be denied, a man becomes flat and stale. This is evidently against fundamental justice.

As nature, based upon the solar system, has settled the number of hours in a day, the reasonable number given to work or labor must be judged by this standard. And it is not unreasonably concluded that a third of the natural time of day and night is a proper amount to be assigned to remunerative labor. In other words (a thing well known to the mediaeval guilds) the eight-hour day.

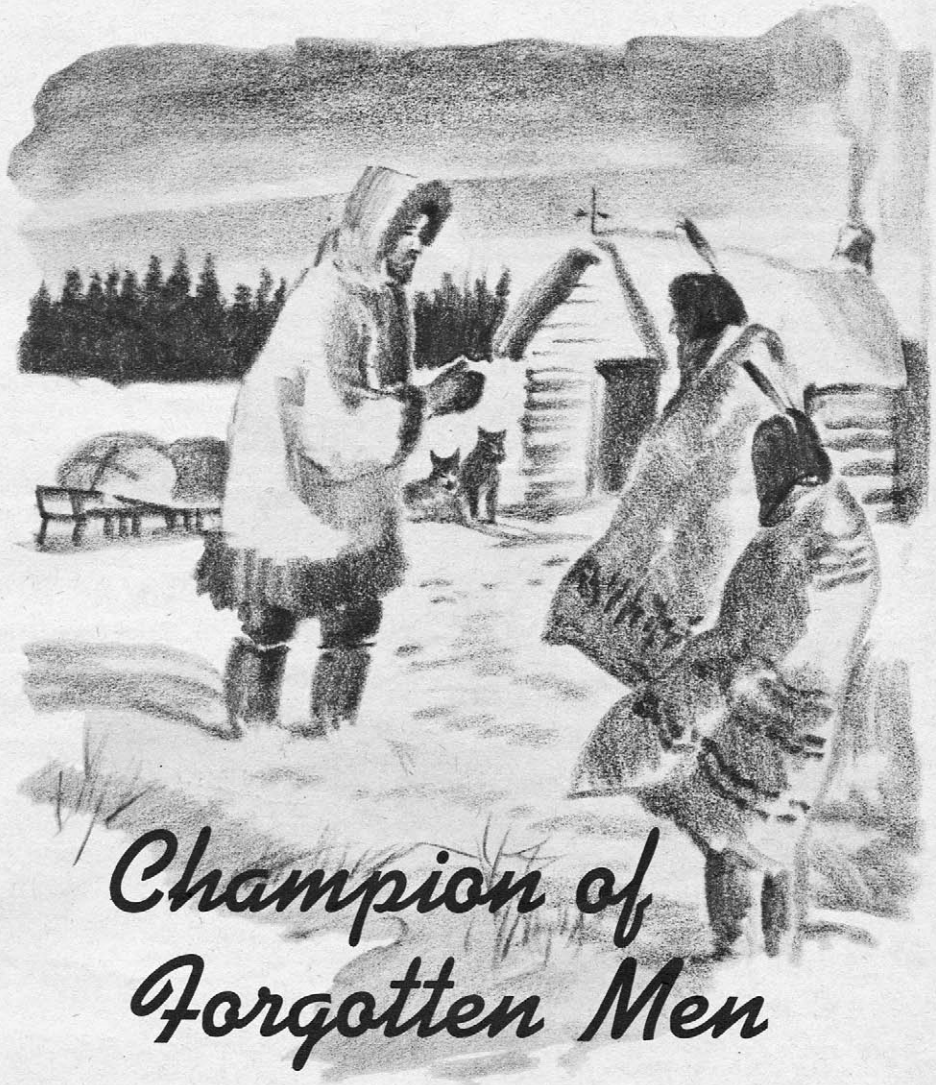
And so we arrive at the position:

A full-time job is that which employs a worker sufficiently after allowing for his human need of leisure.

Such full-time work must in justice be remunerated by a wage which enables him to live in proper conditions as a rational, human being; as a man with a mind and a body to be preserved and developed, and a soul to be saved.

Anything short of this is a violation of justice—a sin and a social crime.

This is what the Christian Church stands for—in the face of a world which would consider merely "profits"; a world in which business and commerce have become hard and cruel to a ghastly extent — because they have ignored the essential dignity of man.



Champion of Forgotten Men

SYNOPSIS OF PRECEDING CHAPTERS

Eugene de Mazenod, son of an exiled aristocrat in the days of the French revolution, spent his youth in Italy. Returning to France under the amnesty of Napoleon, the youth abjured the allurements of society to become a priest of the poor. Spurning the ecclesiastical preferments for which his abilities and aristocratic lineage might qualify him, the Abbe de Mazenod continued his missions among the lowly. In this work he was joined by a dozen other young priests. The congregation of missionaries (Oblate Fathers) which de Mazenod founded received the immediate approbation of Pope Leo XII. The Founder himself in 1832, was consecrated Bishop and, five years later, succeeded his uncle, Fortune de Mazenod, as Bishop of Marseille.

CHAPTER FIVE

CANADA

by A. Simon, O.M.I.

IN THE summer of 1841, there came to Marseille the saintly Bishop Bourget of Montreal, Canada. In vain had he scoured Europe for missionaries. Almost despairing of obtaining the help he desired, he came at last to Bishop de Mazenod.

"But," said the Founder of the Oblate Order, "I have so few missionaires and the foreign missions were not in our plans."

"But my people are so poor, so spiritually destitute . . . the whites and the Indians . . ."

"Poor and destitute?" The words moved the heart of this Missionary of the Poor. Was not his motto: "He hath sent me to preach the Gospel to the poor"?

At once Bishop de Mazenod sent a letter to all his priests apprizing them of the pleadings of Bishop Bourget. "Who will volunteer for the missions of Canada?" de Mazenod asked.

To a man the priests responded: "Ecce ego, mitte me"—"Behold, here I am; send me!"

In October of the same year four priests and two coadjutor brothers set out from Marseille to Le Havre and thence embarked October 22, for New York, which they reached after a voyage of thirty-five days. On December 2, 1841, they arrived at their destination, Montreal.

This foreign mission field seemed the signal for a large and sudden growth of the Order which spread so rapidly that before the Founder died in 1861 his sons were to be found, to quote Father Cooke, "on the shores of the great Atlantic, or amidst the snow clad pine forests and dismal prairies of the Hudson Bay territory, or near the margin of the Polar Sea, or among the fastnesses of the Rocky Mountains, or over the vast stretches from the base of the Rocky Mountains to the Pacific Ocean, or on the plains of Texas and by the coasts of the Gulf of Mexico, or amidst the burning sands of Southern Africa, or on one of the fairest islands of the Indian Ocean, Ceylon. To all of these points in Asia, Africa, and America did de Mazenod live to see the labors of the Oblates of Mary Immaculate extended."

In 1859, Father Grollier had gone beyond the Arctic Circle to the mouth of the Mackenzie river, he who is called the Xavier of the North, the first of the "Martyrs of Cold," as Pius IX called them . . . Here he established peace between warring Indians and Eskimos, and on September 14, Feast of the Exaltation of the Cross, erected a Cross bearing the inscription, "Viderent fines terrae salutare Dei nostri." ("All the ends of the earth have seen the glory of our God.")

To the Indian chieftain he gave a picture of our Lady on which was written: "All generations shall call me blessed."

The year 1841 saw the Oblates in Canada; 1847, in Ceylon; 1849, in the United States and Great Britain; 1852, South Africa; 1885, Germany; 1893, Spain; 1894, Australia; 1901, Belgium; 1902, Italy; 1912, Czechoslovakia; 1919, Poland; 1925, Bolivia; 1926, Uruguay; 1931, Belgian Congo; 1934, Indo-China. And today one Cardinal; 17 Bishops; two Prefects Apostolic and 5,462 Oblates are preaching the Gospel to the poor in two dialects and fifty-two languages.

Bishop de Mazenod shared in the joys and the sorrows, the sufferings of all his children—of the members of his diocese, and of his missionary sons at home and abroad.

When de Mazenod became Bishop of Marseilles in 1837, the Catholic population of Marseille numbered 160,000; 69 parishes; 260 priests, secular and regular. When the saintly pontiff died in 1861, there were in the same diocese 289,000 souls; 77 parishes; 350 priests. There was an orphanage; and a home for girls; a home for the aged and the blind; an association to feed, clothe, and lodge poor children; another to take care of poor families and see to the education of their children.

One club provided facilities each Sunday and holy day of obligation for sport, athletics, and opportunity for self-improvement. Four hundred young men participated each Sunday. Another club was open every day beginning at 5 P.M. for boys and men, and offered instruction and recreation, and to the wayfarer and down-and-outer food and lodging. A club for working girls which at de Mazenod's death numbered 650 members, did all the work of the modern Queen's Daughters' work. A group of well-to-do ladies harbored the unemployed girl and found work for her; helped the poor and unfortunate women; kept a watch on morals generally. Hospitals in the charge of religious men and women took care of the sick. Foreigners were taken care of by priests of their own nationality or by such as knew the language of the people whom they were shepherding. He begged money for, and built the cathedral and the shrine in honor of our Lady. He who had been so opposed by the French government because of his loyal and fearless championing of the Holy See was appointed to the French Senate in 1856 by Napoleon III.

Meanwhile de Mazenod kept in close touch with his spiritual sons in their far-flung fields. He shared their joys and their sorrows, their hopes and their disappointments. When they did not write, he chided them; when they came to visit him he listened to them like an eager child; and guided and consoled and encouraged them.

During the Founder's life six of his spiritual sons were appointed Bishops. He insisted on the privilege of consecrating all of them himself. Among these Bishops was Cardinal Suibert, Cardinal Archbishop of Paris and Vital Grandin, the first Bishop of St. Albert, in Alberta, Canada. At the time of the latter's consecration the normal time for the voyage from St. Albert to Montreal took two years; one summer (long trips were not undertaken in the winter) from St. Albert to St. Boniface in Manitoba; a second summer from St. Boniface to Montreal, thence to Marseilles.

On the occasion of that consecration and the visit which followed, de Mazenod noticed that Bishop Grandin ate scarcely anything but bread.

"And why?" asked the Founder.

"Because I am so fond of it," said Bishop Grandin, "and in the Missions we have no bread." Tears came to the Founder's eyes . . . A few years later Louis Venillot glorified Bishop Grandin by the title "The Lousy Bishop." He died in the odor of sanctity and the cause for his canonization was introduced several years ago.

De Mazenod was a true son of Provence. One who knew well that people, so complex of character, that dwell on the shores of the Mediterranean, said of them, "In appearance they are merry, but their heart is in tears." Of great intellectual endowments, highly impressionable, they are full of contrasts—a strange mixture of tenderness and strength, of the gentle and the harsh. The emotions of piety, of joy and sorrow, of admiration and aversion, of love and hate, are so violent that strangers sometimes tremble in the presence of such passions. The ardor of emotions makes sound reasoning difficult; judgment becomes partial and unsound; exaggerations and generalizations result. The heart overflows in love, or contracts at the icy breath of ingratitude or misunderstanding, and the will easily degenerates into stubbornness.

Some such a tempestuous complex was Eugene de Mazenod by nature. His spiritual adviser in Venice, Father Bartolo, wrote to him at Palermo in 1799: "I shall tell you frankly what I think. If I know you, you will never do things by halves. You will do either much good or much evil."

Because he had dedicated himself to God from his tenderest years, Eugene de Mazenod did much good in his life. But his character caused him many a struggle. One who did not know him well might, from certain of his actions or writings, be inclined to judge him as harsh, imperious and uncompromising. Especially when he defended his personal rights or those of the Holy See, which he so unflinchingly championed and for which he suffered much, not only at the hands of civil authority but also of certain of the Bishops of France, — or the rights of the Church against the encroachments of civil authority, or of his own rights as Bishop even against his own ecclesiastical superiors, or when there was question of obedience to rules and regulations. In all these cases the tone of his writings in the words of one of the censors appointed by the Holy See to read them, is "incisive, direct and vehement and seems at times to go beyond the requirements of meekness, charity and submission to superiors." But then, continues the censor, "it must not be forgotten in what troubled times the Servant of God lived."

This, and an understanding of his character will explain the tone of his writings. For his life, his actions superabound in humility and meekness and obedience to, and love for, the Holy See whose stout and inexorable champion he was.

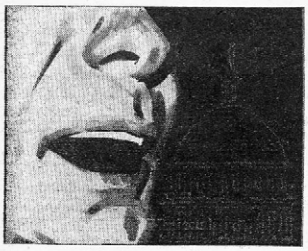
(To be Continued)

THE OBLATES OF MARY IMMACULATE

"All The Ends of The Earth Have Seen The Glory of Our GOD"

FOREIGN MISSION ORDER ESTABLISHED BY EUGENE DE MAZENOD

1841 CANADA
1847 CEYLON
1849 UNITED STATES
1849 GREAT BRITAIN
1852 SOUTH AFRICA
1859 ARCTIC CIRCLE
1885 GERMANY
1893 SPAIN
1894 AUSTRALIA
1901 BELGIUM
1902 ITALY
1912 CZECHOSLOVAKIA
1919 POLAND
1925 BOLIVIA
1926 URUGUAY
1931 BELGIAN CONGO
1934 INDO-CHINA



"Will the Gentleman Yield?"

What Happens After Appropriations Are Made?

By HON. GERALD P. NYE
Senator from North Dakota

WITH THE passage of the Public Works program we find Mr. A. P. Homer, an avowed lobbyist in Washington for the shipbuilding interests, writing a letter to the president of a shipbuilding corporation in this country, clearly revealing in a way what may have been going on. I wish to make reference to one lone feature of the letter. After glorying in the large sum of money that would be made available for shipbuilding under the Public Works bill, Mr. Homer told the president of this shipbuilding corporation:

"I think it would be very wise for you to come down to Washington in the near future and talk to the gang."

I am going to repeat that:

"I think it would be very wise for you to come down to Washington in the near future and talk to the gang. I will keep my ear to the ground and the moment that anything starts that will interest you, I will let you know."

Congress has appropriated millions of dollars, a portion of which is to be used for public works. The shipbuilding industry at once knew that there would be a large shipbuilding operation under the Public Works program. Before the Public Works Administration had been completely set up by executive order, $231-million of that Public Works money was made available for shipbuilding. There would have to be bids invited; and Mr. Homer is simply saying to one of his employers, "You had better come down to Washington and talk with the gang."

We had Mr. Homer appear before our committee. It was a day that followed weeks of effort. The man was "ill" day after day when subpena servers found him, but he was finally prevailed upon to come one day in the company of a nurse armed with a bottle of pills, as I remember, to sustain life through those harrowing hours. Among other things he was asked under oath was, "Whom did you mean by the 'gang'?"

Mr. Homer named admirals and commanders in the Navy Department. Why in the world should they be referred to as "the gang"?

From day to day the story developed. We finally developed some very interesting evidence in the form of a letter which had been written by Mr. H. M. Southgate, who was a Washington representative of the Westinghouse Electric & Manufacturing Co. watching in Washington the business of his company as it might be involved in these Navy bids.

The matter to which I now refer was still an earlier experience than the Public Works episode. We find Mr. Southgate giving some little indication of what goes on behind the scenes when the Navy is advertising for bids. Mr. Southgate wrote under date of March 5, 1931, to Mr. W. S. Newell, president of the Bath Iron Works at Bath, Maine.

I read only the third paragraph from this letter, in which Mr. Southgate depicts what occurred the morning after the shipbuilders had responded to the suggestion made by Mr. Homer:

"Come down to Washington * * * and talk to the gang."

Mr. Southgate said in his letter to Mr. Newell:

"I understand the morning after the bill went through every east coast yard had its representatives in Washington *with their tongues hanging out and all teeth showing ready to fight for their share of the plunder*, and the only thing that stopped the west coast yards from being here was the fact that they couldn't come bodily by telegraph."

Notice, please, how these businessmen who profit from armament programs regard the matter. Notice what they call the appropriations after we have made them. The programs lose their identity as national-defense programs immediately after the appropriation is made, and they become, in their own parlance, *"plunder" programs*. I am using their own language!

In 1933, the shipbuilders, in response to Mr. Homer's request, came to Washington, and they stayed here for weeks. They spent many weeks in Washington in the hot summer doing. I presume, what Mr. Homer suggested they do—"talk to the gang."

Then the day came when the bids were opened. Ten days before the opening of the bids, but after the bids had been submitted, Mr. C. L. Bardo, the president of the New York Shipbuilding Co., one of the nation's leading shipbuilding yards, undertook to report to his directors in New York, writing from Washington, *what he guessed might be the result when the bids were opened 10 days later.*

There were three leading bidders for the Navy work—namely, the Bethlehem Shipbuilding Co., the New York Shipbuilding Co., and the Newport News Shipbuilding Co. Ten days before the bids were opened Mr. Bardo reported to his directors in New York. This was after weeks of conferring with "the gang," the men who had the awarding of the bids. I read:

"I know from my talks with some of the representatives of the Navy who are keenly interested in this work that they are desirous of finding some substantial reasons for awarding this work to the largest possible extent to private yards upon whom they must rely for the necessary engineering to complete the ships."

In other words, *"I know from my talks with representatives of the Navy"* that they are going to try to find a way to award these contracts more largely to the private shipbuilding yards, rather than let the Government yards do the work!

I read further from the same letter of Mr. Bardo to his directors in New York:

"There was also expressed to us the desire that the builders themselves should get together and agree as far as we could upon what each would bid and then bid on nothing else. The situation as it stands now is substantially as follows . . . "

Mr. Bardo, the responsible president of a responsible corporation, responding to the urge of lobbyists to come to Washington and "talk to the gang," reported to his directors that the Navy had asked the private shipbuilders to get together and see that they did not bid against each other.

In this letter written by Mr. Bardo to his board of directors he undertook to guess what the result would be when the bids were opened 10 days later by the Navy Department, just what the division would be among the three big shipbuilding companies which had been operating together. I quote again from Mr. Bardo's letter:

"Newport News: The two airplane carriers, which, while not duplicates of the Ranger, but of similar type.

"Bethlehem: The 10,000-ton, 8-inch cruiser, a duplicate of the ship which they are now building.

"New York Ship: A new 10,000-ton, 6-inch cruiser and a distribution of the eight destroyer leaders."

"This new work would amount approximately to the following values: Newport News, $30-million; Bethlehem and New York Ship, $28-million each, although the final estimates may slightly change these figures."

I should like to point out that here was a man guessing, 10 days before bids were opened by the Navy Department, as to just what would be the division of the amount that was ready for allocation, approximately $100,-million, and Mr. Bardo in his guess says that one of the three companies would get approximately $28-million, another approximately $30-million, and the third approximately $28-million.

Amazing was the revelation of the accuracy with which Mr. Bardo guessed what the results would be when the bids were opened. There were some little discrepancies, some little departures from his estimates of what would be the award, but not material, which rather definitely reveals that the three bid shipbuilding companies did manage to get together, did pursue the course which Mr. Bardo suggests the Navy Department suggested that they pursue, namely, get together on their bidding.

Our Trade With China Means Profit For English Banks

By HON. JESSE P. WOLCOTT
Representative from Michigan

IT IS NOT proper for us to continue the China Trade Act corporations for the purpose of increasing our exports to China. Because of a very fallacious and inadvisable silver policy we have forced China, if they want to buy American products, to go through the Bank of England to do it. We have forced China to tie itself to the English pound when, if we had not adopted this silly silver policy of the present administration, we would have been dealing directly with China.

There is absolutely no sense in trying to encourage trade with the China Trade Act corporations under the China Trade Act when we have nullified the very desirable set-up which we could have created with China. That country is now a frontier nation. We could have increased our exports to China by hundreds of millions of dollars every year if it had not been for the desire on the part of this administration to subsidize a few silver miners in the western part of this country. By giving them a very few million dollars in subsidies we have sacrificed the possibility of hundreds of millions of dollars of foreign trade with China. Hereafter your foreign trade with China is going to be through the back door of the Bank of England.

A Few Ways To Help The Home Owner

By HON. MATTHEW J. MERRITT
Representative from New York

SINCE the present business recession set in there has been a great increase in the number of foreclosures undertaken by the Home Owners' Loan Corporation. At the present time there are approximately 140,000 of them authorized by the Corporation. Title has already been taken to over 90,000 homes.

This distressing situation has caused some members of Congress great concern. After unsuccessful efforts to get hearings before the Banking and Currency Committee on legislation which, if enacted, would ease the burden of this unfortunate group of home owners, a number of us formed a committee to ascertain what relief could be given them under existing law. It is the belief of our committee that their adoption would not require the passage of new legislation.

These proposals are as follows:

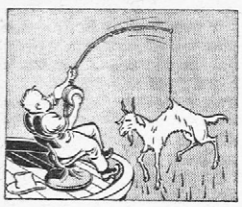
First. Reduction of the interest rate to 3½ per cent, which reduction would place the home owner upon the same footing with regard to interest as farmers to whom Government loans have been made.

Second. Creating of a moratorium on principal payments for a period up to 3 years. This proposal would be in line with legislative action taken in New York and other States.

Third. Abolition of deficiency judgments. This proposal is also similar to that which has come of a definite movement within the States.

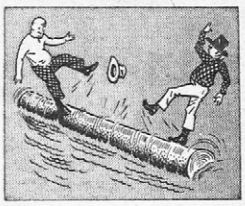
Fourth. The establishment of a quasi-judicial board of review, before which any mortgagor whose loan has been recommended for foreclosure may appear in person or through a duly authorized representative and have an opportunity to have the entire problem reviewed. It was suggested that the establishment of this board of review should be on a basis similar to the present Board of Appeals and Review of the Veterans' Administration and is designed to afford to the home owner every opportunity of having all the factors contributing to his distressed condition impartially reviewed. It is hoped that through this measure many foreclosures might be averted by cooperating with other Government agencies.

Fifth. To permit foreclosed home owners to remain in their former homes as tenants, provided they pay a reasonable rental.



THE SPORT OF THE NATION

- POLITICAL FOOTBALL
- LOG ROLLING
- GOAT FISHING
- HOG CALLING
- BUBBLE-BLOWING
- HIDE AND SEEK
- SHIRT-STUFFING
- DUMMY WRESTLING



ROOSEVELT SONS BRING HEADACHES

New Deal Like 'Cat-Rat' Ranch

WASHINGTON, D. C.—The United States government is drifting slowly into a character similar to that of the old, cat-rat ranch.

The cat-rat ranch system is recalled easily: A businessman with a vision bright as a Joe Louis shirt and ambition boundless as the Communist party, settles on a stretch of desert land.

The land is cheap. It's dry as a carrion's tongue and about as useful. The businessman fences off two plats; puts 20 cats on one plat, 30 rats on the other.

The cats breed rapidly; the rats more rapidly. He feeds the cats on the rats, skins them when they grow fat, and sells the pelts for a tidy sum. Then he takes the carcasses of the skinned cats to the rat farm and uses them to feed the rats. There is no food bill for either cats or rats, and the cat pelts bring a comfortable profit. This system goes on indefinitely.

In the United States government, the President holds the nation's highest elective office. His influence is great, and it doesn't cost anything—it comes with the office.

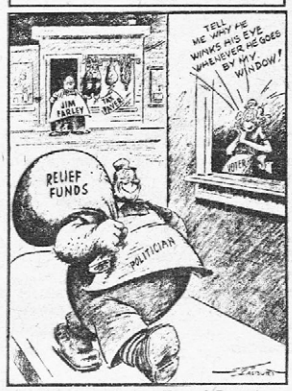
Members of the President's family hold no elective positions. They enter the business world to compete with private individuals—and how! They sell insurance, airplanes, advertising. They write books, columns, edit newspapers, give speeches, travel, dictate magazine articles, endorse food products, deliver radio addresses, and sell good will.

The President's income is furnished by the people-at-large. The income of the President's family also is furnished by the people-at-large, either sooner or later. The President's influence sells the family's stuff. Sale of the family's stuff keeps the family coffers at the bulging point; keeps the family name before the people, and makes greater influence through further electoral advantages.

Jimmy Roosevelt's insurance experience, as reported in the Saturday Evening Post, is typical of this. Jimmie sells insurance and rakes in an income variously estimated at from $250,000 to $2,000,000 yearly. Yet his aquisitiveness is all for good purpose. He wants to become a rich man for one purpose only; that he may devote his life to "public service." He wishes only to seek the common good in public office, with the plums of influence mere bagatelles along the way. That Jimmy's insurance accounts all are "twisted" from the hands of private competitors, denied the sales point of a father-president, is merely a circumstance.

All is serenity on the cat-rat ranch. All is serenity within the presidential family.

"HEY, MARIE!"



(Talburt for Scripps-Howard Papers)

OH! HE'S GOT A BUNDLE IN HIS HAND!

W. P. A.

Relief For Clothiers—Why Not Relief For All?

WASHINGTON, D. C.—W. P. A.'s attempt to save the garment industry by purchasing $10,000,000 worth of surplus pants, shirts, shorts, coats, vests, sweaters, neckties, dresses, frocks, suits, lingerie and pajamas, has sent middlemen and manufacturers into night session with pad and pencil.

What has been done for the clothing trade, they reason, can be done for the auto makers, for manufacturers of egg plates, windshield wipers, horn-rimmed spectacles, fertilizer distributors, refrigerators, perfume atomizers, snuff boxes and electric belts.

Thus it is highly probable that lobbies will be set up in this city to plead the cause of the egg-beater people, the dispossessed bottle-washer manufacturer, the financially embarrassed carpet sweeper maker, and the designer of waterproof grave vaults.

The reason for W.P.A.'s decision to dry clean the clothing business was that the industry has been overrun with surplus stocks of 1898 dinner jackets, Victorian era bustles, post war short skirts and crew-neck sweaters. This is the same situation that has gripped a great share of the nation's industrial machine. Blacksmithing never has been the same since Henry Ford chugged down Fort street in Detroit with his first, one-lung horseless carriage. Makers of street-sweeping equipment have complained bitterly of a sales slump since the passing of the circus parade. And not a gramaphone has been sold since Caruso died!

It is only fair that the administration should turn its attention to ridding each overburdened industry of its surpluses, so that industrial wheels might turn once again. Of course the pick and shovel manufacturers, and the overall stitchers have done well with W.P.A. subsidy, but what of the thousands of pairs of high top shoes moulding in storage rooms; what of boundless stocks of oil lamps, milking stools, demountable automobile rims and bridle blinds?

It is hoped the New Deal will recognize its moral responsibility to absorb the surplus from each industry. Meanwhile write your congressman to fix you up with a four button tweed suit, a set of red flannels and three or four celluloid collars.

OF MUSE & MEN

Barkley Seeks Re-Election

Picture of a New Deal senator seeking re-election: The following oratorical jewel was spoken by Alben W. Barkley, New Deal Senate leader before his Kentucky constituency, June 18. It might well have been enunciated by any of the assorted crowd of Roosevelt coat-tail riders. (Parenthetical notations ours—ed.)

"I will waste no time on puny trivialities nor descend into the basement in search of political skeletons." (Good stunt, Alben; 'you stay out of my basement, and I'll stay out of yours,'—that's political principle.)

"I challenge any fair-minded man to recall any period in the history of this or any other nation when so complicated a system of evils was more thoroughly or courageously dealt with than has been witnessed during the five years since the inauguration of Franklin D. Roosevelt." (How about the complicated system of evils created, polished and installed by Franklin D. Roosevelt, and the other evils, such as the banking racket, that remain untouched by his courageous hand?)

"I have tried to be the servant of all the people, regardless of section, party, color, religion or occupation." (And in seeking to be all things, you probably will wind up being none. 'Friend alike of Kluxer, Communist, thief, New Dealer and lobbyist,' eh Alben?)

"If to be a Senator is to be an apologist for corruption and a companion of those who practice it, then I cannot qualify." (Now, now, Alben—you've done pretty well; p-r-e-t-t-y w-e-l-l!)

"The record I have made is written in the legislative history of these years." (You're telling whom?)

"That record may be distorted by ignorance or malice or selfish design." (Or by Alben W. Barkley, candidate for re-election to the United States Senate.)

Hearstling Elliott Raps Oil Cases; Jim, 'Policy Man'

FORT WORTH, TEX.—Down here where oil men speak with a lazy d-r-a-w-l and kid themselves into thinking they can elect Jack Garner the nation's 33rd president, another of the amazing Roosevelts has created another amazing situation.

This time it's Elliott, oldest of the young Roosevelts, who has dipped his shovel into public life and dug up a strange story of the intrigue that goes into making politics as the nation, and the New Deal, knows it.

Each of the Roosevelt children in turn has caused his parents a more or less severe case of embarrassment. Elliott started the cycle, dabbling in a strange mixture of sugar imports, and exports of airplanes to Russia. Then there was a divorce in the family. Then John punched a photographer, and later squirted champagne on, of all things, the mayor of a French village.

Franklin, Jr.'s case of embarrassment was more apparent than real. He lent the note of sincerity to his father's tirades against economic royalists by marrying the daughter of No. 1 economic royalist, bringing her into the family. James provoked one of the greatest headaches when disclosures were made of his political insurance income, and when he squirmed out of an invitation to submit his income figures to a Congressional committee investigating instances of income tax evasion.

Now Elliott continues the cycle. He recently took to the air with an address criticizing the conviction of certain major oil companies in an anti-trust suit in a Madison, Wis. Federal court.

Whether from political necessity, or from whimsies intertwined with his job as executive of the Hearst Radio chain, Elliott unburdened himself of a feeling of deep regard for members of the oil trust, and cried that "laws passed to correct malpractice in business may sometime react in an unjustified manner against innocent parties with no desire to defraud or hurt the public."

Sixteen companies, and 30 officers of these companies, were fined a total of $360,000 and $25,000 costs after conviction on charges of price-fixing. Elliott's denouncement of the judicial procedure and legislative action that brought these firms into court was intended for Texas consumption only. No report of the address was made in the north until papers from here circulated into Chicago, Washington and New York.

The prosecution was presumed to have been conducted with the approval of President Roosevelt. Thus the chief executive and his son, pulled by different sets of political strings, find themselves reacting in strangely different fashion.

The November Elections

ONCE more the American people will be asked to participate in a party Congressional election.

Once more you will be instructed to jump from the frying pan into the fire.

Is there any political fact more certain than the one which indicts the system of partyism?

Every political party originated in behalf of the oppressed people. The Democrats trace their origin back to Jefferson and the compatriots who struck against George III for freedom.

The Republicans trace their ancestry to Abraham Lincoln who fought against slavery.

The history of both these parties shows that they degenerated into legalized groups of political gangsters who cared little about political freedom and less about physical slavery. Rather, they cared about the division of the spoils of office, the letting of contracts at a premium for politicians and the rape of the national wealth for the benefit of a privileged few.

Do not be deceived! Democracy has nothing to do with political partyism and political partyism is not even on speaking terms with democracy.

Political partyism is democracy's greatest enemy —as great as Hitlerism, as insidious as Stalinism.

Political partyism, which always sought the aid and support of the international bankers and the concentrators of wealth, never once dared to offend the powers behind the throne.

Political partyism, which is founded upon the division of the people into the two camps of Tweedle Dum and Tweedle Dee, has proven to be an expert in the ancient policy of "divide and rule."

Political partyism has divided you into Republicans and Democrats. Republicans who hypocritically stand in the shadow of Abraham Lincoln and his fight against physical slavery, yet who practice the philosophy of economic slavery. Democrats who unfurl the banners of Jefferson and Jackson, yet who hide behind a President who is a politician; a President who uses the national treasury and the public tax funds for his perpetuation in office; a President who sneers at the Constitution which is the safeguard of liberty; a President who, by his actions, gives the lie to Andrew Jackson and his fight against the money changers of a bygone day.

Millions of Americans have not enough intelligence or sufficient analytical ability to discern the evils of political partyism.

Millions more are inclined to say: "What's the use of fighting against the inevitable?"

Have I not pointed out to you, time after time, that our system of political partyism is established on mass mis-representation? Your Congressman in your district is elected by merchants, housewives, laborers, industrialists, bankers and journalists.

Your Congressman and his predecessors in office have surrendered their constitutional rights to a political boss who, at the same time, happens to be President of our nation.

Your Congressman next year, or the year following, will continue to betray you because he has more loyalty to his party than he has to his people.

The people have a political platform; it is their Constitution.

The politicians have a political platform: it was written in 1932 and thrown into the waste paper basket in 1933.

They call this democracy whereas it is mis-representative government. If it was really representative government, would genuine representatives have voted us into the World War?

Would genuine representatives have permitted a Chief Executive to destroy food and clothing in the name of prosperity?

Would genuine representatives have permitted a Chief Executive to perpetuate want in the midst of plenty, to raise taxation beyond the paying point? Only because they are party hacks have they done these things.

When will the American people rise above partyism and overthrow the politicians who have perpetually protected the exploiters of the poor?

I do not insinuate that the people should set up a government of Fascism, of Communism, of totalitarianism.

I mean that the people should organize to set up a government of perfected democracy free from all political parties—a democracy where labor and capital are both represented; a government where the president is not a politician; a government which is not controlled by the international bankers, the insurance corporations, the Morgans, the Kuhn-Loebs, the Rothschilds, the Warburgs and their kept industrialists.

For five long years this nation has enjoyed the sizzling of the frying pan. This November, like so many brainless frog legs, the voting public will decide to jump into the fire with the hope of having their heels cooled.

Your ancestors have been busy doing that, and what did it profit them?

Shall your children do it, or, by the time they have reached their maturity, will they be perfectly regimented under a one-party system of government with economic slavery, the heritage which you and I pass on to them?

Or, shall we establish, step by step, the principles of the Corporate State in America? I mean a state independent of politicians. I mean a state where the spoils belong to all the people and to no member of a party. I mean a state where representatives are sent to Congress elected not according to the bungling plan of mass mis-representation but according to the scientific plan of class representation. I mean a state such as I described in one of my radio addresses, which I ask you to re-read.

Yes, November is coming. Little men and little minds will become quite enthusiastic over the prospects of voting against some Congressman, forgetful that two years ago they did the same thing. It is a system which we must vote against and not a man. The system of political partyism must be destroyed if America and its civilization will endure.

I would be interested to know how many readers of this page understand what I mean and are willing to work towards that end.

The Week in the World

MEN and EVENTS

Canada

FOR the first time since the International Eucharistic Congress in Montreal in 1910, the first Canadian National Eucharistic Congress assembled in Quebec amidst the splendor and pageantry that is the Roman Catholic Churchs.

A multitude of 300,000 witnessed the event; 100,000 marched through the streets of Quebec for five hours in the closing demonstration of clergy and laity. Thirty nine religious orders were represented and some 37 lay confraternities, societies and leagues.

Reaching the Plains of Abraham, Cardinal Villeneuve, who had carried the Blessed Sacrament under its silken canopy, placed it in a golden ostensorium in the open air repository. The nine provinces of Canada were symbolized by nine gigantic arches under which the procession wended its way.

The civil power was represented by the Lieutenant Governor of Quebec, the Mayor of Ottawa and Quebec governments, ministers and consul generals of foreign governments and judges of the various courts.

Pope Pius addressed the gigantic throng by radio from his summer palace at Castel Gandolfo, Italy. His 400-word message was delivered in a strong voice and concluded with his blessing.

Cardinal Villeneuve declared, as the Papal Legate, that "if there are people and nations who renounce God, and blaspheme against God, and wish to destroy God, we, on our part, are for God, and believe in God."

As the procession reached Battlefield Park on the Plains of Abraham after the procession had marched some three miles, a priest declared over a gigantic loud-speaker system that enabled all to hear:

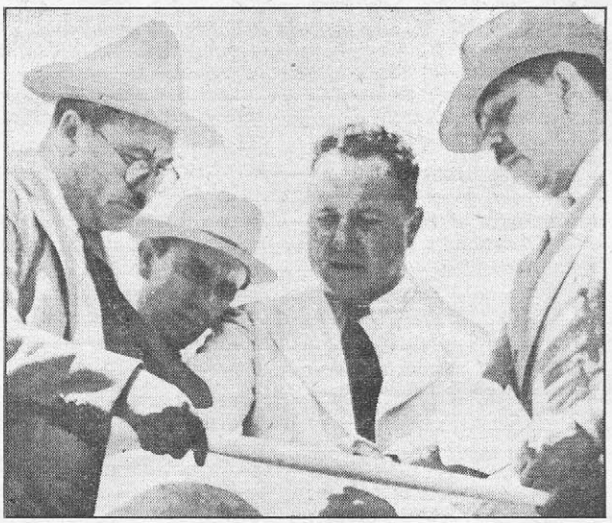
"In 1759 these two races, the French and English, marched to the sound of martial music to these same plains to battle with one another. Today they march, thank God, not to martial music or in warlike array, but in solemn procession singing hymns not to the god of war, but the Prince of Peace. A new and better chapter of history has been written on the Plains of Abraham today."

Japan

THE latest move on the part of the forces backing China is to throw up the smoke screen charge that Japan is promoting the opium traffic. At Geneva, League of Nation's delegates from Great Britain, China, Canada, and Egypt backed up the charge. In all the newspaper accounts, one looks in vain for the name of Sassoon which is the "power behind," controlling the opium monopoly of the world.

The delegates who are endeavoring to discredit Japan are all from British colonies and provinces and are under the complete domination of the Sassoons.

With Japan declining to attend, the League's Opium Advisory Commission drafted a weak resolution that reiterated the same empty phraseology that characterized the resolution of previous years. The Japanese delegate dared the committee to examine the narcotic traffic in the Far East with impartiality. He could afford to dare, knowing the facts.



Oil will be found in the background of every war scare nowadays. President Lazaro Cardenas of Mexico is here shown with engineers on a recent tour of expropriated oil lands, examining a map of the Tamaulipas oil fields. (Acme Photo)

Poland

SINCE the World War, Poland has trod a cautious path, determined not to become another Spain. She has fought with every means at her command to thwart any real understanding between Russia and Germany for the simple reason that she once more stands to be partitioned in such an event. With war, she could not hope to cope with these two strong nations. There is little likelihood of such a combination.

The oil fields of Baku stand like a colossus of Rhodes against any such combination. The Royal Dutch Shell Oil Company had the concession rights to this veritable "gold mine" of oil, but in 1920, Russia stepped in and nationalized them. They have been Russian property ever since. Germany desires them and some even say that Sir Henri Detering is financing Germany with an ultimate view of a war on Russia to obtain these oil wells back again.

In 1934, Poland signed a ten year non-aggression pact with Germany with a view of assisting in keeping Moscow and Berlin apart. But she did not anticipate the swift move on Hitler's part in annexing Austria and his negotiation for the absorption of Czechoslovakia. Poland now faces a considerably different situation.

The first point of friction is the so-called Polish corridor, along the Polish-German frontier, involving Danzig, Gydnia and Upper Silesia. The second is the possibility of German absorption of Czechoslovakia, the ultimate domination of Rumania, and the cold fact that Poland will be completely surrounded by German satellites, except along the Russian frontier.

There are many reasons for supposing that Poland entered that alliance with her eyes wide open despite the seeming dangers. She hopes with the absorption of Czechoslovakia by Germany to be rewarded with some part of Czechoslovakia, especially Teschen, which has been a bone of contention for a long time.

Poland has refused to depend upon either France or Great Britain although she has an alliance with France. The disheartening examples of promised aid from these two democracies in the case of Ethiopia, Spain and Austria has forced her to seek the status of an independent power. Despite the alliance, Poland offered to mobilize when Germany invaded the Rhineland, but this was a gesture.

Two internal problems are especially acute. One is the labor problem and the other is the Jewish problem.

It has been estimated that nearly half a million laborers are being thrown on the Polish market yearly and this vast army cannot be absorbed by an agricultural plan. Agrarian reforms are being pushed vigorously, but there is not enough land to go around. The only other alternative is intense industrialization with exports, but this is denied by the necessity of foregn loans which are hard to obtain and foreign markets which are harder to obtain in view of the acute world situation.

Of the 35-million population, 3½-million are Jews. Many of these have migrated to America and elsewhere, but they form a friction point that is difficult to solve. Visitors who have recently returned from Poland state that the so-called Jewish atrocity stories in Poland are greatly exaggerated. This problem will no doubt be solved to some extent by migration.

Poland's unique geographic position will be the main lever that will permit her to participate in diplomatic maneuvers in the near future until the map is changed again by war.

Spain

PROPAGANDA continues to play a dominant part in the war in Spain. For instance, the week-end scare that heralded Loyalist planes bombing Italian cities, disappears into thin air when an investigation is made.

The Loyalist note to London and Paris, which gave rise to the report of threatened raids on Italian cities, was published by the French Foreign Office and found to contain no mention of any such "planned raids."

It further developed that a "suicide squadron" of Russian do or die pilots had made the threat and some newspaper men had attributed it to the Loyalist government.

Palestine

ACCORDING to Julius Simon, president of the Palestine Economic Corporation, that country has been hit hard from an economic standpoint despite that Jewish capital has increased over 200 per cent. The three restricting factors are the uncertainty of the political future, the continuing disorders by Arabs who feel that the Jews have usurped their homeland, and the restriction of immigration.

Of these the second is the most acute. The latest dispatches indicate that a Jew by the name of "Ben-Joseph" has been killed. This is an ominous portent inasmuch as Jewish prophecy has a legend that when one Ben-Joseph dies in the East, "the time" is at hand.

In the meantime, the British are arming to the teeth in a desperate effort to hold their prestige. The latest defense is the construction of a half-million dollar barbed-wire wall all along the frontier where Lebanon, Syria and Trans-Jordania touch upon Palestine. It is named after Sir Charles Tegart, its principal advocate. According to the *London Times*, the standard barrier apparently will consist of two parallel fences six feet high and five feet apart. Each of the fences will have meshed wire at the bottom and barbed wire above, and the space between the two fences will be criss-crossed with barbed-wire and filled with loose masses of wire. In some spots where conditions warrant, three parallel fences will be built.

The fence will be supplemented by a motor-boat patrol of the Sea of Galilee. This motor-boat patrol is especially planned to guard the seventy fords of the Jordan where it forms the frontier between Palestine and Trans-Jordania. Half of the fords will be under constant watch from nearby high points and the other half will be obstructed by fences along the banks with barbed wire carefully placed in submerged spots along the shore.

Surely, Britain would not be going to such lengths of preparedness unless it is quite sure the day will come when prestige alone will be insufficient.

Middle Europe

The latest public demands of Sudeten Germans may be classified upon the following eight points:

(1) EQUALITY of status between Czechs and Germans in Czechoslovakia.
(2) RECOGNITION of the 3½-million Sudeten German population in Czechoslovakia as a legal entity.
(3) RECOGNITION of German territory as distinct from Czech territory.
(4) ENTIRE SELF-GOVERNMENT in such territories.
(5) MINORITY PROTECTION for Sudeten Germans living outside such recognized territory.
(6) REPARATION for damages caused to Sudeten Germans since 1918 by "unjust" measures.
(7) ESTABLISHMENT of the principle of German officials for German territory.
(8) THE RIGHT of individuals to acknowledge their German nationality and their adherence to the German political ideology.

It remains to be seen whether these demands represent an irrevocable minimum or are merely a basis of bargaining.

One thing is fairly certain: The autonomy problem will not be settled by war unless unforeseen circumstances arise. It will rather be solved by compromise.

WOULD CHECK ON CONGRESS

To the Editor:

The trouble today is that an uninformed public cannot see or find the cause of our difficulties. We do not understand our money system and there is an infallible law that knowledge is light and wisdom is power, and the small minority that do know and understand have ever made slaves of the majority who do not know.

Congressman Charles Binderup has a bill which simplifies the monetary system and puts it up to Congress, where it belongs, to coin and regulate our money.

We have too many White House "Charlie McCarthys" in Congress who will soon start their curbstone cruising again. They will thumb their way to Congress once more and pull the international bankers' financial chestnuts out of the fire by talking war and creating a shortage in the midst of plenty.

The ancient republic of Rome fell through the dictators' use of the money of the people for bread and circus. Will history repeat itself in this country? Radicals do not make conditions but conditions make radicals. So I say, as a warning to all voters, watch out for the Congressmen. Check on how they voted and what bills they passed. Don't let them fool you. Make them stick to facts.

E. J. Edwards

Kenmore, N. Y.

GERMANY HAD EXPERIENCE

To the Editor:

When the World War ended, and prior to the Versailles Peace Treaty Conference, Germany's price level increased a little above 100 per cent of pre-war level. The United States had a greater rise. Germany's public debt after the war was equivalent to $30-billion in American money. We increased our debt from $1-billion to about $30-billion.

The German currency catastrophe, it appears, was the planned intention of the international bankers. After Germany signed the Versailles Treaty, Germany was forced to give up her gold supply, more than half of her iron and other mines, was dispossessed of all her colonies and more than 20 per cent of other assets.

From 1919 to 1922, the international powers were in control of the Central Bank and government and it appears they were using their powers to gain control of the wealth of Germany by various schemes and especially through speculation and its corollary manipulation.

The banking laws were changed to permit an unlimited supply of notes to be issued and with these funds pay off loans with which physical property was purchased in the earlier stages. The price level increased from 100 per cent of the pre-war level after the war to more than 150,000 per cent in about three years and later it reached astronomical heights beyond anyone's imagination.

These internationalists printed so much currency and forced it into circulation, that they thereby destroyed the money value. Insurance policies and other obligations such as mortgages and bonds which were owned by the German people were wiped out and manipulators got the property.

Is America following the same disastrous policy? Of America's currency 95 per cent is credit money. Our debt has increased from $26-billion to $38-billion since 1932. It has been stated that our reserves are capable of supporting demand deposits of more than $175-billion of credit money.

CURBSTONE EDITORIALS

For years we have been told that bonds have a restraining influence on government spending. It has not proved so, whereas, if the government issued currency there would be an unlimited supply. It may result in inflation because they borrow from the government currency by depositing bonds and then issue unlimited credit money.

Powerful forces have pretended they were opposed to the government spending spree with bonds, but when the government stops they start the movement again for still bigger bond issues, so they secure first mortgages on all physical property and earning power of the people by the creation of bookkeeping entries.

They have made provision for a Social Security Tax to bring in additional taxes, and they are considering reducing the income tax exemptions and increasing the rates and at the same time reducing the tax on capital gains so that the speculators can make large profits from selling of foreclosed farms and homes and stocks, bonds and other properties that were bought cheap by forced sales.

In America we destroyed farm products, curtailed production, killed pigs to create scarcity, effected the NRA to create high cost and many other measures of regimentation of industry and farming, burdensome taxes, all under planned economy evidently to create unemployment so bonds could be issued.

Cleveland, Ohio John Anthony

NO MIND BIG ENOUGH?

To the Editor:

As the years of depressions and recessions continue to roll on, with positively no signs of a return to prosperity one cannot wonder just where our nation is headed. It does seem incredible that a country as rich in all things both spiritual and material, as these grand United States should be reduced to the conditions we now find ourselves in after eight long and discouraging years.

Surely there are minds big and brilliant enough to have found a way out long before this. Can it be that "the powers that be" really desire to reduce the masses to poverty and degradation? As one looks about at the sad and desperate faces of the unemployed who walk the streets of our cities and towns in search of employment, you realize this condition cannot continue.

The end is fast creeping upon us, either a quick return to prosperity in a moderate degree or a radical change in our political setup must take place. We as Americans have inherited the greatest country in the world and with it a great and glorious democracy. Let us hope and pray that we may be able to preserve it.

Royal R. Cartier

Westboro, Mass.

STABILIZATION BONDS

To the Editor:

Railroads in this country are broke because they must pay dividends to banks and insurance companies on watered stock held by them. Railroad workers are threatened with a 15 per cent cut in pay. If this happens, they threaten to strike, thereby bringing about a revolution in this country.

If railroad workers do not want a cut in pay, let them set aside 15 per cent of their pay to buy stabilization bonds; each time they pay in $100 they receive one bond. The money received from the sale of these bonds which is handled exclusively by railroad workers, would be used to buy up and retire the bonds held by banks and insurance companies.

These stabilization bonds are payable to the holder upon his retirement from the railroad, or his heirs at death, plus a rate of accumulated interest similar to those payable on an insurance policy.

Felix Turcott

Buffalo, N. Y.

NO JUSTIFICATION

To the Editor:

There is no sound reason for an economic depression in America today. Neither is there any justification for the deplorable increase in unemployment throughout America.

On February 7, 1929 the Federal Reserve Board stated that during the past six years the United States had experienced a remarkable run of economic activity and productivity. From 1921 to 1929, bank reserves increased from $50-billion to $72-billion. In December, 1929, bank deposits were $55,289,000,000. Total currency was $4,864,824,000. Stocks of gold were about $4,283,923,000. In 1937, bank deposits were $59,822,370,000. Total income produced more than $69-billion.

On May 10, 1938 gold stock in ounces was 367,996,111 and $35 an ounce can be printed in currency. Federal Reserve notes amounting to $87.50 can be issued against each ounce of gold. Our stock of silver was 2,300,000,000 ounces and for each ounce $1.29 in silver certificates can be issued, making a grand total of $46,451,523,397 in legal tender currency which can be printed and put into immediate circulation.

In the United States and its outlying possessions there is a population of 140-million people. Today we have one-third of these people or 48-million living on the verge of poverty. We have in circulation only $6½-billion to spread among all these persons. Until every citizen demands that Congress alone shall issue and regulate the currency, we will continue to have periodic panics and increasing unemployment and want.

Andrew A. Fogarty

West Haven, Conn.

DOUBLE GUARANTEE

To the Editor:

Why does the FHA guarantee the bankers and money lenders an interest rate of 5 per cent a year, and at the same time guarantee the payment of the loan by the taxpayers if the borrower is unable to pay his mortgage?

Under the FHA, it seems that everyone is guaranteed his cut except the sucker who borrows his money at 5 per cent interest in addition to assuming a confiscatory and unjust tax load. The borrower is indeed the "forgotten man." The man so fortunate as to have a savings account at a bank can get only 1½ per cent interest, and at a Postal Savings Bank only 2 per cent, yet the United States Government guarantees the money lenders 5 per cent.

If the FHA is to meet with the success hoped for by its sponsors, our representatives should provide a maximum interest rate of not more than 2½ per cent on all loans and exempt all homes built under the FHA plan from real estate taxation. Apparently the only people who can afford to take advantage of the FHA offer are those who are enjoying "the abundant life," in other words, those on public payrolls or participating in the profits accruing from public works contracts.

If we can establish a maximum interest rate of 2½ per cent and exempt homes constructed from real estate taxation for a period of ten years, we will bring about a resumption of home building activity on a scale heretofore unprecedented. The Government should loan the money direct instead of guaranteeing profits for the benefit of the bankers and money lenders.

Peter Foote

Chicago, Ill.

SPENDING OR STARVATION

To the Editor:

If the Government does not initiate this new spending program, terrific relief costs will result, self respect for millions of individuals will go, and dictatorship, either fascistic or communistic, will result as the alternative to starvation. Thus, our present economic system would also be destroyed.

There is only one way to permanent prosperity; the Government must take over the issuance of currency and credit but leave other banking functions in private hands. Under a system like that, necessary currency money and credit money could be injected into society according to its needs. This type of money would be interest free at its origin, and, moreover, the public debt would not be further increased by *borrowed money*.

Howard E. Watkins

Baltimore, Maryland

WHAT COULD YOU DO WITH $6,000.00?

This Young FORTUNE Can Be YOURS—If You ENTER "CHRISTIAN FRONT" CONTEST NOW!

QUESTIONS FOR THIS WEEK

QUESTION NO. 3
WHAT IS AMERICA'S STRONGEST SAFEGUARD AGAINST COMMUNISM?

1. The Constitution
2. The United States Army
3. The United States Navy
4. Fascism
5. Protestanism
6. Catholicism
7. A Christian Front
8. Abundance of natural wealth
9. The American form of government.
10. American capitalism

QUESTION NO. 4
OF FASCISM AND COMMUNISM WHY IS FASCISM THE LESSER OF TWO EVILS?

1. Fascism guarantees free elections financially
2. Fascism permits freedom of political action
3. Fascism recognizes private ownership of property.
4. Fascism is against war.
5. Fascism is by nature more secure
6. Fascism permits free exercise of religion
7. Fascism is more representative of the people
8. Fascism teaches the state exists for the individual

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 3 For Question No. 3 I select Answer No. ☐ No. 4 For Question No. 4 I select Answer No. ☐

Name.....

Address.....

Town or City..... State.....

HERE'S AN EXTRA COUPON

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Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 3 For Question No. 3 I select Answer No. ☐ No. 4 For Question No. 4 I select Answer No. ☐

Name.....

Address.....

Town or City..... State.....

YOU CAN START HERE

QUESTION NO. 1
WHO FIRST TAUGHT THE DOCTRINE OF THE LIVING WAGE?

1. Karl Marx
2. Leo XIII
3. Jesus Christ
4. Pius IX
5. Henry George
6. Lenin
7. Mussolini
8. George Bernard Shaw

QUESTION NO. 2
WHAT ALONE MAKES A DEMOCRATIC FORM OF GOVERNMENT POSSIBLE IN THE UNITED STATES?

1. The United States Senate
2. The Supreme Court
3. The House of Representatives
4. The Chief Executive
5. The Constitution
6. Free elections
7. Christianity
8. Temperament of the American people.

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 1 For Question No. 1 I Select Answer No. ☐ No. 2 For Question No. 2 I Select Answer No. ☐

Name.....

Address.....

Town or City..... State.....

HERE'S AN EXTRA COUPON

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Name.....

Address.....

Town or City..... State.....

RULES OF THE CONTEST

1. Open to all readers of SOCIAL JUSTICE except employes of Father Coughlin, members of the former National Board of National Union for Social Justice, or members of their families.
2. The Contest shall consist of 50 questions and run for 16 consecutive weeks beginning on July 4, 1938. Two questions each week for 15 weeks and all 50 questions to appear on the 16th week. Each question deals with Christianity, the social justice principles of Father Coughlin, or the contents of the SOCIAL JUSTICE magazine.
3. A Grand Prize of $3,000.00 will be awarded the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based on the universal doctrine of Christianity (all creeds) or the viewpoint of Father Coughlin as expressed over the radio or in the columns of SOCIAL JUSTICE. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.
4. In order to qualify as a prize-winner the contestant is required to send in 10 cents in coin (not stamps) with each pair of answers, and to obtain two yearly subscriptions or four half-yearly subscriptions to SOCIAL JUSTICE magazine. For these the contestant shall have sent without further cost a copy of Father Coughlin's compiled 16 radio lectures of the 1938 season.
5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late or lost in the mails. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.
6. In event of ties additional questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.
7. Do NOT decorate Coupons. Neatness will NOT count.
8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.
9. A contestant may send in any number of sets of duly qualified answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set and two yearly or four half-yearly subscriptions with each set submitted shall be entitled to have a copy of Father Coughlin's 1938 Radio lectures for each set submitted.

Forward once more to a harvest of Cash Prizes for readers of SOCIAL JUSTICE. This time it is possible for you to win $6,000.00 in cash — if you enter now. This time 159 readers can win the grand total of $14,000.00 — if they enter our new "CHRISTIAN FRONT" Contest during the first five weeks.

One week has already gone by. This is the second week. Only three weeks more before you will have lost your chance to have your prize DOUBLED.

Anybody can win the Grand Prize of $6,000.00 in this great competition —last contest of the series. Anybody can win any of the remaining 158 Cash Awards and have his or her prize DOUBLED by entering now.

Fifty questions on Christianity, social justice and the principles of Father Coughlin as expressed over the radio or in the columns of this national weekly.

Fifty questions that any Catholic or non-Catholic can answer. The Contest is non-sectarian, just as the Christian Front is non-sectarian.

ANY QUESTION DEALING WITH CHRISTIANTY AND ITS RELATION TO SOCIAL JUSTICE CAN BE ANSWERED WITH EQUAL EASE BY CATHOLIC OR NON-CATHOLIC.

You can start right now. All four first questions are before you on this page. Notice how easy they are to answer by any man or woman, boy or girl who has followed Father Coughlin on the air and in SOCIAL JUSTICE magazine.

You CAN WIN $6,000.00 within a few weeks — if you enter now and are adjudged winner. If you were in our three former competitions and did not win, you were perhaps within only a few correct answers of landing "in the money."

This is the last of this series of educational contests. In this Contest you have the chance to win MORE cash than in any of the former contests.

TO WIN $6,000.00 YOU MUST ENTER NOW — DURING THE FIRST FIVE WEEKS OF THE CONTEST. YOU CAN'T AFFORD TO DELAY. WHAT WOULD YOU THINK IF YOU DELAYED AND LATER WERE ADJUDGED WINNER OF THE GRAND PRIZE?

YOU WOULD LOSE $3,000.00 IN CASH BY THE DELAY!

Don't let this happen. Work out your answers to the first four questions on this page and send them in with 20 cents in coin TODAY. If you like, you may pay up in full NOW and remit no more until the end of the contest—and that's only 14 weeks off.

SO CONTESTANTS MAY KNOW

1. Study the questions. Mark your selection of the best or most appropriate answers on the Coupon below the questions and send in EACH WEEK with 10 cents in coin (not stamps).

2. If you wish, you may pay in full, $2.50 NOW, and then send in your weekly coupons without further remittance.

3. In order to qualify as a prize-winner you must obtain two yearly subscriptions ($3.00 per year) or four half-yearly subscriptions ($1.50) to SOCIAL JUSTICE WITH EACH SET OF SOLUTIONS SUBMITTED. THESE SUBSCRIPTIONS MAY BE SENT IN AT ANY TIME DURING THE COURSE OF THE CONTEST.

4. Each question will pertain to Christianity, (nof of any particular creed), to the social justice principles laid down by Father Coughlin, or to the contents of SOCIAL JUSTICE magazine. One of the list of suggested answers underneath each question will be the best or most appropriate based upon the viewpoints of Father Coughlin or this national weekly. It is your job as a contestant to try to select that particular answer.

5. In order to qualify as a prize-winner, in addition to obtaining the above-mentioned subscriptions, each contestant is required to remit $2.50 for each complete set of solutions submitted. THE NET PROCEEDS OF THE CONTEST GO INTO THE BROADCASTING FUND TO ASSURE FATHER COUGHLIN'S WEEKLY ADDRESSES NEXT SEASON.

6. If you run more than one set of answers, be sure to mark your sets "Set 1," "Set 2," "Set 3" etc. Each set stands alone in the judging. Coupons are NOT taken from one set to fill in bad "holes" in another set.

7. **ALL PRIZES DOUBLED FOR WINNERS WHO ENTER THE CONTEST IN THE FIRST FIVE WEEKS AND RETURN TEN SOLUTIONS IN THAT TIME.**

GET YOUR BOOK EARLY

Immediately you enter the "CHRISTIAN FRONT" Contest you will be sent your copy of Father Coughlin's "Sixteen Radio Lectures," 1938 series. This volume will be of much help to you in answering the contest questions. Bear in mind—ANYONE can win the Grand Prize of $6,000.00 or any of the remaining 158 cash prizes. No special education is necessary. Very few winners in past SOCIAL JUSTICE contests had more than an ordinary grade-school education. To win—you must KNOW your social justice. That's all.

Read the handsome list of 159 Cash Prizes which will go to 159 readers of SOCIAL JUSTICE who show they know more about social justice, the relationship of social justice to Christianity, Father Coughlin's principles and the contents of our SOCIAL JUSTICE magazine than other people.

EVERY ONE OF THE 159 PRIZES WILL BE DOUBLED IF THEIR WINNERS ARE SHOWN BY OUR RECORDS TO HAVE ENTERED THE CONTEST DURING THE FIRST FIVE WEEKS AND TO HAVE SENT IN SOLUTIONS TO TEN QUESTIONS IN THAT TIME.

Therefore—it would be folly for you to delay. Enter right NOW—so that, if you are adjudged winner of the Grand Prize, you will receive $6,000.00 in cash instead of $3,000.00. No matter which prize you win, it will be DOUBLED if you enter the "CHRISTIAN FRONT" Contest during the first five weeks.

HERE THEY ARE

GRAND PRIZE - -	$3,000.00
Second Prize - - -	$1,400.00
Third Prize - - - -	$1,000.00
Fourth Prize - - - -	$300.00
Fifth Prize - - - - -	$200.00
4 of $25.00 ea. - - -	$100.00
50 of $10.00 ea. - - -	$500.00
100 of $5.00 ea. - - -	$500.00
	$7,000.00

ADDRESS: "CONTEST EDITOR," SOCIAL JUSTICE
ROYAL OAK, MICHIGAN

HOW MUCH DO YOU VALUE YOUR LIBERTY?

When Communism, Fascism or any other "ism" strikes at the heart of America, it is plunging its dagger into YOU. Beware of smugness. Don't console yourself with the now hackneyed phrase, "It can't happen here."

IT IS HAPPENING HERE RIGHT NOW!

Communism is all about us—in our factories—our theatres—our schools—our government—EVEN OUR CHURCHES! It is eating slowly — slowly — into our national vitals. America sits supinely as a person rooted to a spot by the glint in the eye of a serpent about to strike. America MUST MOVE or the poison will be shot into her arteries and then—DEATH!

A UNITED CHRISTIAN FRONT IS OUR LAST-DITCH DEFENSE AGAINST COMMUNISM!

If the Christians of the United States—men and women of all Christian creeds—stand shoulder to shoulder against the intruder, the battle can be won.

You belong on the Christian Front. You are badly NEEDED there. Regardless of age or creed, your country needs you today more than during the blazing days of war. The enemy now is much more insidious than one which fights on battlefields. TODAY'S ENEMY IS SLINKING, DODGING, LYING, CRAWLING. It calls such tactics "boring from within."

The "MILLION LEAGUE" of SOCIAL JUSTICE readers is now forming in all sections of the United States "against the day" of Communism's final thrust. Through the forming of Social Justice Platoons of 25 persons, it is bringing the humane principles of Father Coughlin to the serious consideration of millions of Americans to whom these great principles have been practically unknown.

It is your DUTY, as an American, to join and to be active in some organization striving to preserve American institutions.

Make that organization the "MILLION LEAGUE." This whole nation is gradually becoming convinced that only through the social justice contentions of Father Coughlin can the evil day be pushed back. As a believer in these precepts and a follower of Father Coughlin, you MUST play your part in the great drama.

Much will happen this Fall and in 1940—much that can alter the national course of American history. THESE THINGS MUST HAPPEN RIGHT! If they happen WRONG, nothing will make much difference from then on.

The time is NOW—and the person upon whom falls a share of the duty is — YOU.

So — the Co-Operative Coupon below!

CO-OPERATION COUPON

SOCIAL JUSTICE,
Royal Oak, Michigan.
Gentlemen:

I wish to help Father Coughlin and social justice in the United States by joining the "MILLION LEAGUE."

Please send me at once full particulars of how I can be of assistance.

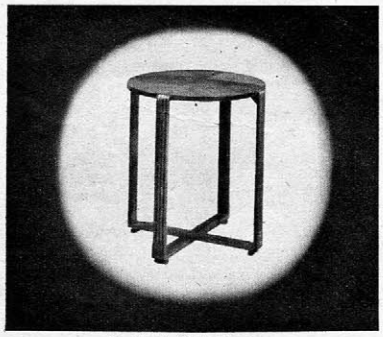
My Name Is.....

My Address Is.....

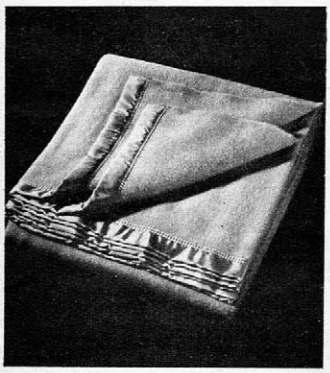
City or Town..... State.....

YOU HAVE SEVEN MORE WEEKS TO CASH IN

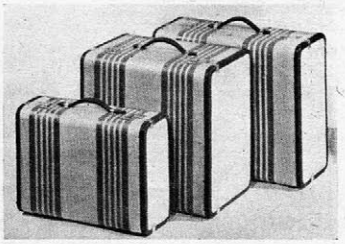
No. 15128—1040 papers.
WESTINGHOUSE DELUXE COFFEE AND TEA MAKER. As modern as tomorrow, with finish in chrome and Moldarta. The last word in scientific making of delicious, crystal clear coffee or tea, and results are always the same. Heat-retaining, brick-type element keeps the beverage hot to the last drop.



No. 15125—1200 papers.
OCCASIONAL TABLE in Walnut finish.



No. 15127—1120 papers.
100% VIRGIN WOOL BLANKET. 70 x 80-inch size, with satin bound edge. Available in Rose, Green, Orchid, Peach and Cedar. State color desired.



No. 15132—1070 papers.
AEROPLANE LINEN LUGGAGE. Striped water-proof linen, bound with topgrain cowhide. Choice of men's suitcase in 15, 18 or 21-inch size, or lady's overnite case, week-end case or hat box. Available in Blue, Brown or Tan. Specify color and which piece desired.

Our Great Premium Season of 1938 will come to an end with our issue of August 15. Between now and then you have ample time to earn a nice weekly income and also to win one or more handsome and valuable premiums for selling SOCIAL JUSTICE in your locality.

If you are already a SOCIAL JUSTICE distributor, you can win a prize of lasting value by "whipping up" your sales a bit during these last seven weeks.

If you have never sold SOCIAL JUSTICE you should realize that several men and women, boys and girls earn as high as $20.00 per week for a few hours work on week-ends. Besides this, you are helping to spread the social justice principles of Father Coughlin so badly needed in America today.

Use the Coupon below at once. In a few days you will receive a beautifully illustrated catalogue of premiums that can be yours.

USE THIS COUPON NOW—

CIRCULATION DEPT.,
Social Justice,
Royal Oak, Michigan.
Gentlemen:

Please count me in on your Cash and Special Premium offer for selling SOCIAL JUSTICE this summer.

Send me without obligation on my part illustrated catalogue of premiums and full instructions.

My Name Is.....

My Address Is.....

City or Town..... State.....

SELL SOCIAL JUSTICE ON YOUR VACATION

NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

ECONOMIC ROYALISTS

IT WAS high wages and short hours that caused the depression, according to Alfred P. Sloan, chairman of the board of General Motors.

In a letter to stockholders, the mogul of motordom issues this incredible utterance:

> "The national economy has become unstabilized due to too rapid an increase in wages and too rapid a shortening of hours in many key industries—purchasing power has thus become unbalanced in relation to prices."

Unbalanced, Mr. Sloan? Purchasing power is abolished!

Quite in contrast to those industrialists like Ford and Knudsen who have risen from the worker ranks—from the machine shop lathe, the work bench and the assembly line — the chairman of General Motors "bought into the industry" as an investing financier. His is the stockholders' viewpoint and the ticker tape approach to the problems of industry.

It is this financier control of industry which characterized the rugged individualism of the Hoover era and which the New Deal indicts as economic royalism. Its results, furthermore, furnish a fruitful recruiting ground for the Communist who would destroy our whole capitalist economy.

It was only as the big three of the automobile industry—following the lead of General Motors — left the manufacturing and sale of motor cars to back alleged subsidiaries in the intricacies of financing that they encountered Federal indictments: not as motor car manufacturers, but as FINANCING RACKETEERS!

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